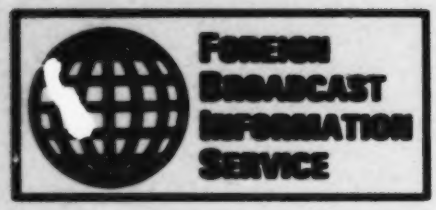

Daily Report

East Europe

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Daily Report
East Europe

FBIS-EEU-95-250 *29 December 1995*

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Zhelev To Seek Reinstatement of Radio Staff

AU2812165995 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 28 Dec 95

[FBIS Translated Text] I will seek the reinstatement of the seven dismissed journalists employed on the Khorizont Program of Bulgarian National Radio. I consider that, following these dismissals, Mr. Tunev [director general of Bulgarian National Radio] should resign. President Zhelyu Zhelev made this statement at his meeting today with representatives of the Free Speech Forum. The recognition of free speech should be unconditional for everyone who considers himself a democrat, the head of state believes, and he also announced at the meeting his intention to ask the Constitutional Court to issue an interpretation of what exactly freedom of speech means in Bulgaria.

Prior to the meeting, the Free Speech Forum civic movement called for a public and professional dialogue concerning the Bulgarian National Radio statute and its programming policy.

Premyanov Reelected BSP Parliamentary Whip

AU2912115695 Sofia 168 CHASA in Bulgarian 25-31 Dec 95 p 12

[Article by Ina Stoyanova: "Socialists Greet New Year With Old Chief"]

[FBIS Translated Text] After a series of afternoon meetings throughout the week, on the evening of 21 December, the Socialist deputies met at Positano [Bulgarian Socialist Party headquarters] in order to praise themselves on how well they had worked during the National Assembly's fall session. Each of them received a 114-page report.

The leadership of the parliamentary faction found that 1995 was an year of "stabilizing the social system and rehabilitating parliamentarism." Even more touching was the conclusion regarding the authority of the National Assembly. Since the 37th National Assembly initially had a rating of 30 percent, which subsequently fell, and then climbed again to 25 percent in October, this, according to the Bulgarian Socialist Party [BSP] deputies, means that "parliamentarism and democracy are stabilizing."

The leadership congratulated the deputies on their efficiency. Indeed, the majority demonstrated that it does not stand on ceremony in overruling the opposition or dealing with dissidents within their own ranks. The chairman of the Democratic Left parliamentary faction described the issue as follows: "Despite the democratic atmosphere that prevailed within the faction, one is puzzled by certain individual positions that do not correspond to the letter and spirit of the BSP program documents and coalition agreements. The stubborn defense of these positions shows that it is sometimes difficult to combine personal preferences with general principles. Such symptoms are not a categorical phenomenon, but they nevertheless require a more critical approach."

After adopting the report, the deputies prolonged the mandate of Krasimir Premyanov and his deputies. Those who voted against said that this contradicted the regulations. Premyanov could be reelected, but this should have been dome "according to the proper procedure," which is rather complicated. However, the party and parliamentary leadership obviously did not have time to apply its own rules and hastily extended the mandate of the current parliamentary leadership. Reportedly, Aleksandur Marinov [head of the BSP Sofia city organization] was against such a hasty move, and insisted on a secret ballot being held. However, the deputies did not comply with his wishes.

According to some observers, the decision to leave Premyanov in his position was prompted by the unstable situation of the cabinet at present.

DPS Official on Infighting, Coming Conference

AU2912124695 Sofia 168 CHASA in Bulgarian 25-31 Dec 95 p 14

[Interview with Guner Tahir, DPS deputy chief, by Ivan Tropankev; place and date not given: "Ahmed Dogan Is Supported by Compromised and Dead Souls"]

[FBIS Translated Text] [Tropankev] Mr. Tahir, your colleagues from the Rights and Freedoms Movement [DPS] leadership are afraid that the upcoming DPS conference must fail in order to save Osman Oktay and Yunal Lyutfi.

[Tahir] Osman Oktay is already trying to undermine the conference. He proposes that the delegates to the municipal, okrug [district], and national conferences be elected on the basis of the "number of members." Since the DPS Central Council and Central Executive Bureau currently do not have precise information regarding the number of members, this means that a campaign to recruit new members and cheat is about to begin. The trick is mostly applied in weak regions, where the membership of the organizations is inflated with dead souls (the membership fee of 16 leva is paid by the manipulators). Suddenly, those places will produce as many delegates as Kurdzhali and Razgrad. Thus, those who manipulated the previous conference are now trying to manipulate the upcoming national conference.

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[Tropankev] What do you think "their game" at the conference will be?

[Tahir] The people who are not wanted in the central leadership will try first to secure the election of such chairmen of the working groups and commissions as will firmly support the position that there should be no changes in the central leadership. It is quite possible that they could manipulate the election of the central leadership, even if there is a secret ballot.

[Tropankev] Do you support Kasim Dal's claim that Ahmed Dogan rules in a totalitarian manner?

[Tahir] I was very surprised to read that headline in DUMA. It is the national conference that should assess Dogan's leadership. However, the fact that one of his deputies does not know the meaning of the word authoritarian, shows the level of competence of certain DPS deputy chairmen.

[Tropankev] What changes in the Charter will you support?

[Tahir] The present DPS Charter presupposes the one-man command—precisely this is the authoritarian style of ruling a party—and it does not allow the collective organs to adopt decisions. One of the most striking examples is the following: The resignation of a member of the Central Executive Bureau can be demanded only by two-thirds or three-quarters of the bureau's members, but the proposal must come from the chairman. What kind of democracy is that?

[Tropankev] Why does Dogan tolerate Yunal Lyutfi and Osman Oktay if at least nine members of the DPS parliamentary faction oppose them?

[Tahir] I think that it a matter of inertia. The center could function without these people, despite the fact that they declare themselves to be pillars of the DPS. In reality, they are not pillars but mere pegs. In addition, some people apparently do not understand what it means for compromised people to continue to lead the DPS. There is another factor that I cannot explain, and which is related to the fact that those two are tolerated.

[Tropankev] You imply that they have something on Dogan and can control him?

[Tahir] I cannot comment on something that I am not sure about.

[Tropankev] How would you react if Ahmed Dogan decides to get rid of Yunal Lyutfi and Osman Oktay—together with you and Yudjel Attila, who are his main opponents?

[Tahir] We do not intend to change the DPS because of our personal interests. It is more important that our leadership is accepted not only by our voters, but also by our natural allies from the Union of Democratic Forces.

Court Holds Hearing on Kurdzhali Election Issue

AU2812165895 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 28 Dec 95

[FBIS Translated Text] Today the Kurdzhali District Court held its first hearing on the action concerning the legality of the elections for mayor and councillors in the municipality. The court decided to combine six complaints of alleged violations committed in one or other of the two ballots in the elections into a single case, registered as No. 412, because features of the cases are interconnected. Because the facts of the cases had not been clarified, the court decided that experts should carry out a further examination to establish the facts regarding the alleged violations in all the electoral rolls, both the original rolls and the supplementary rolls prepared on election day.

The court set 5 February 1996 as the date for its second session on the case.

Muslims Asked To Be Ready To 'Shed Their Blood'

AU2912103495 Sofia DUMA in Bulgarian 27 Dec 95 p 1

[Article by Radka Petrova: "DPS Could Shed Blood Because of Kurdzhali Elections"]

[FBIS Translated Text] If the court annuls the results of the municipal elections in Kurdzhali, there will be a massive dissatisfaction among our population. The Muslims in Bulgaria wrote their history with the blood of the revival process' victims, and this is a warning. This is what Ahmed Hyusein, leader of the Rights and Freedoms Movement [DPS] in Kurdzhali Okrug [district], said on 26 December at a memorial rally for the victims of the revival process, which took place at the village of Mogilyane. The former Chief Mufti Fikri Sali was more specific in his speech, which he read in Turkish, and in which he called upon the Muslims to be prepared to shed their blood because they are facing the threat of the possible decision of the Kurdzhali Court to annul the results of the municipal elections in Kurdzhali.

The speeches of other speakers, who called for declaring that Rasim Musa is the mayor of Kurdzhali, and that any other decision would provoke a new revival process and police checkpoints in the region, sounded as an overt threat addressed at the independent judicial system in Bulgaria. Most of those speeches were read in Turkish.

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DPS, BSP 'Stalemate' Over Kurdzhali Analyzed

AU2912103595 Sofia KONTINENT in Bulgarian 27 Dec 95 p 6

[Commentary by Khristo Bardaliev: "Stalemate"]

[FBIS Translated Text] With its threats regarding the organization of mass antigovernment protests if the election of Rasim Musa as Kurdzhali mayor is annulled, the Rights and Freedoms Movement [DPS] obviously is mixing the executive and judicial powers.

Indeed, the scales of Bulgarian justice often are influenced by the clashes of the political forces. However, in the specific case of Kurdzhali, the decision of the court—whatever it is—will create a stalemate between the government and the DPS. If Rasim Musa is confirmed as mayor, the authority of the Bulgarian Socialist Party [BSP] will catastrophically fall not only in Kurdzhali but in all regions with a mixed population. If this happens, very few will continue to believe in the nationalism of the rulers. Furthermore, in such a case, the DPS will draw both internal and international dividends.

On the other hand, if the election of the science teacher, who became famous in the last two months, is annulled, the DPS will face the difficult choice of whether to implement its threat or not. The first choice would mean the admission of the DPS leaders that they can issue only empty threats, while the other involves the risk of a clash whose consequences could not be predicted.

The only thing which inspires hope that the worst will not happen is the fact that we are on the verge of 1996 and not 1990, and that now it is more difficult to activate certain primeval natural reflexes.

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Klaus on Separate Dates for Elections

AU2812133195 Prague DENNI TELEGRAF in Czech 22 Dec 95 p 3

[Interview with Czech Prime Minister Vaclav Klaus by Viktor Krejci; place and date not given: "I Consider Separating the Dates for the Elections to the Chamber and Senate To Be a Big Mistake"]

[FBIS Translated Text] [Krejci] Your party has adopted a very accommodating approach to the proposal put forward by President Vaclav Havel that the elections to the Senate should be in the fall—that means separate from the elections to the Chamber of Deputies. Why was your reaction so mild? Does this issue seem to you to be so unimportant?

[Klaus] On the contrary. This issue is, in my opinion, very important, and I consider separating the dates for the elections to be a big mistake for the whole of our country. Nevertheless, I do not think we reacted mildly. We approached the whole issue sensibly—mildness is a completely different category. We simply came to the conclusion that, following this step, we must not allow a situation to develop and events of the kind we are witnessing in some neighboring countries to occur. We have tried at all costs to prevent such development.

[Krejci] How do you view the results of the elections in Russia? The communists won and Mr. Zhirinovskiy's nationalists trailed behind in second place.

[Klaus] Now, as recently in the case of the Polish presidential elections, I have problems with a unidimensional assessment of the Russian elections. If we look at the names of the political parties in this country or, rather, of the political groupings, we see that they are far from being the names of standard political parties. It is very hard to determine with certainty who in Russia is a communist, who is a neocommunist, and who is a postcommunist, and I have the feeling that even the average Russian voter does not have an unequivocal opinion on this issue. Undoubtedly, voters in Russia have, by means of their votes, rejected the kind of government they feel is causing a noticeable decline in their standard of living and have inclined toward those who promise them miraculous, easy, smooth, effortless, and inconspicuous solutions to these problems. In my opinion, the issue did not at all involve a choice for or against communism.

Pilots Worry About 'Unfit' Planes, Scant Training

AU2812135095 Prague MLADA FRONTA DNES in Czech 23 Dec 95 p 2

[Article by "(gag)": "The Caslav Pilots Are Afraid That Their Neglected Equipment Will Cause an Accident"]

[FBIS Translated Text] Caslav—Sixty military pilots from the Caslav unit, which is currently the only base for fighter aircraft in the Republic, have sent a petition to Deputy Defense Minister Petr Necas in which they refer to the unfit state of their aircraft, the dilapidated airfield, and their low number of flying hours.

The pilots feel that this situation places at risk not only their own lives, but also the country's defense capability. They ask Necas to come and familiarize himself with the situation before one of the shortcomings causes an accident. In their letter, they express their concerns about their lives, about the safety of their families, and about the people who live in the vicinity of the military airfield.

The fighter pilots, who do not wish to be named for fear of being discharged for infringing their loyalty to the Army, have turned to Necas because, according to them, they have stopped believing the promises of the General Staff. For example, they point out that its chief, Jiri Nekvasil, last year promised the pilots commuting to the airfield from a greater distance that he would secure housing for them within a year. He did not keep his promise.

The pilots are flying less from year to year, so even the most experienced of them are beginning to be afraid in the cockpits. "We are coming ever closer to death. Even the best of us are landing drenched in the sweat of fear," emphasized one of the pilots who organized the petition. He thinks that now is the last opportunity to point out to the Army command that there is virtually no training for fighter pilots.

The fighter pilots compare the situation with the training of the French pilots who recently visited the Caslav base. In the event that they log fewer than 18 hours per month, they are transferred out of normal training and placed under the special supervision of the instructors. "I did not fly for two months recently and nothing happened," said a Caslav fighter pilot, describing his situation.

So far, Necas has refused to comment on the petition because he does not want to polemicize with the pilots through the press. "I will, however, go to Caslav immediately after the New Year," he said.

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FM Schenk on Ratifying Hungarian Treaty

AU2812143195 Bratislava SLOVENSKA REPUBLIKA in Slovak 21 Dec 95 p 5

["From the speech" by Slovak Foreign Minister Juraj Schenk in the National Council of the Slovak Republic on 20 December: "From the Speech by Minister Schenk in the National Council of the Slovak Republic on the Ratification of the Good Neighborhood and Friendly Cooperation Treaty Between the Slovak Republic and the Republic of Hungary"]

[FBIS Translated Text] Bratislava (Slovak Republic)—Esteemed chairman, esteemed deputies, and esteemed guests,

Following discussions in the committees, the Government of the Slovak Republic is submitting, according to Article 86, Section E of the Constitution of the Slovak Republic, to the National Council of the Slovak Republic a proposal for expressing agreement with the Good-Neighborhood and Friendly Cooperation Treaty Between the Slovak Republic and the Republic of Hungary signed in Paris on 19 March 1995. Thereby, the Slovak Government is fulfilling its task set in its policy statement that the National Council of the Slovak Republic discussed and accepted in January of this year, according to which "the point of departure for future relations with the Republic of Hungary should be a balanced basic political treaty acceptable to both parties."

Interest in Slovak-Hungarian Reconciliation

The debate in the National Council of the Slovak Republic committees has demonstrated that there is a general consensus in our political circles that a Slovak-Hungarian reconciliation take place in the context of the historical experience, and that one of the most important steps in this process is concluding the treaty and its subsequent implementation. The debate took into consideration also the international connotations of the treaty with respect to the international orientation of the Slovak Republic, which aims toward integration into the European and euro-atlantic economic and security structures. On the other hand, however, concerns were also expressed regarding the implementation of the treaty in the spirit of good-neighborly relations and friendly cooperation, particularly in the implementation of the stipulation on the status of people belonging to ethnic minorities.

The task of this treaty, which corresponds to the state and national interests of the Slovak Republic under the new international conditions, is to form the basic bilateral contractual legal framework for the cooperation between the Slovak Republic and the Republic of Hungary, and so contribute to the development of Slovak-Hungarian relations and the reinforcement of stability in the region. The contents of the treaty form legal and institutional prerequisites for its interpretation and implementation on both sides according to the letter and spirit of the text.

The debates demonstrated that exorbitant trust does not dominate Slovak-Hungarian relations and that great efforts will have to be exerted actually to start building proper good-neighborly relations based on respecting the fundamental principles of international law, in general, and sovereignty of legal orders and international obligations, which the two parties to the treaty assumed, in particular.

Dearth of Trust in Mutual Relations

This state of mistrust came forth during the first round of talks after the draft text of the treaty was presented by the Slovak side and the counterproposal by the Hungarian side, which differed particularly in the questions of the evaluation of the history of mutual relations, the formulation of the article on borders, the succession of the Slovak Republic to the treaties of the Czech and Slovak Federal Republic and the related issues of cooperation on the Danube River, also in connection with a solution to the dispute on the Gabcikovo-Nagymaros hydroelectric project before the International Court of Justice in The Hague. Furthermore, both the points of departure and approaches of the two parties to the arrangement of the legal status of people from the ethnic minorities have been fundamentally different.

The issue of the history of mutual relations has not been included in the treaty because the proposal by the Slovak Republic that the interest of both parties in bridging the burden of the past be expressed in the treaty has not been accepted by the Hungarian party, and we have in turn refused to accept any misleading and out of context mention of the favorable aspect of the experience of the 1,000 years of coexistence. The two parties eventually agreed to leave the assessment of the development of mutual relations to historians and to have the treaty oriented toward cooperation in the future.

When formulating the article on the borders, the point in question was that Hungary recognize the internationally valid status quo, which is the result of the Trianon "Peace Treaty Between Powers United and Allied and Hungary, Protocol and Declaration" of 4 June 1920 and the Paris "Peace Treaty With Hungary" of 10 February 1947. In the last round of talks, the Hungarian side waived the demand that Article 3, Section 1 on the border be explicitly introduced by a reference to the Helsinki Final Act of the CSCE, which in the first principle allows for a change of the border by peaceful

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means. For the wording of Article 3, Section 1, the formulations of the third principle of the Helsinki Final Act of the CSCE were used on the inviolability of the border and giving up territorial demands also for the future—that is, about its unchangeability.

The talks on certain stipulations of the treaty have been fundamentally correlated with the Slovak-Hungarian dispute over the Gabcikovo-Nagymaros hydroelectric project before the International Court of Justice in The Hague, and both parties, even after consultations with their attorneys, came eventually to the conclusion that cooperation on the Danube River would not be mentioned so that it does not in any way prejudice the International Court of Justice in The Hague.

The Status of Ethnic Minorities

From the very beginning of the talks, there have been differences in the principal points of departure and approaches of the two parties to the arrangement of the legal status of people belonging to ethnic minorities regarding the projection of these points into the treaty obligations.

The Slovak party refused to discuss the draft "Treaty on Guarantee of the Rights of the Slovak Ethnic Minority Living in the Republic of Hungary and the Hungarian Ethnic Minority Living in the Slovak Republic and on the Rights of Their Members," which the Hungarian party sent in February 1995, and which was to become an appendix to the Basic Treaty. It was a document that contained, in addition to the preamble, 21 articles with 42 sections, and was based on a combination of collective and autonomistic rights and an admixture (it cannot be described otherwise) of political and human rights concealed in formulations from the sphere of rights of people from the minorities. The Slovak party was willing to accept, exclusively within the framework of the treaty, an arrangement that would not go beyond the framework of our intrastate legislation and the obligations it assumed in the then (1 February 1995) signed Council of Europe Framework Agreement on the Protection of Ethnic Minorities.

During the talks, the Slovak party pointed out the different legal and actual positions of the people belonging to ethnic minorities in the two states, with the Slovak minority in the Republic of Hungary being systematically assimilated, while the people from the Hungarian ethnic minority in the Slovak Republic have all the prerequisites for maintaining and developing their identity.

During the entire course of talks, the Slovak party pointed out to its Hungarian partner that only such a structure and formulations of stipulations on minorities can be enshrined in the treaty that, according to internationally recognized standards in general and the Council of Europe Framework Agreement on the Protection of Ethnic Minorities in particular, do not allow for the implementation of the so-called collective rights and formation of autonomous structures on the ethnic principle.

The Slovak party accepted the norms and political obligations from Recommendation No. 1201 (1993) of the Council of Europe Parliamentary Assembly as legal obligations only and exclusively to the extent specified in the Framework Agreement and the intrastate legal code of the Slovak Republic, which it expressed also in the amendment "observing all individual human and civic rights including the rights of persons belonging to ethnic minorities"; in legal terminology, according to the principle "argumentum a contrario," this means that both parties excluded from the implementation those stipulations of the recommendation that deal with collective rights and autonomy (for example, Article 11).

The Slovak party did not accept the proposals of the Hungarian partner that the interpretation and implementation of the stipulations of the treaty, particularly the stipulations on minorities, provided legal title to their unilateral presentation to any arbitration body or a third party. Namely, in the sphere of human rights, a part of which are also the rights and obligations of persons belonging to the minorities, the Slovak state has only the obligation, in accordance with the multilateral treaties binding on the state, to inform the appropriate participating states on the guarantee to fulfill its duties resulting from these treaties.

The essence of the control mechanism for the observation of the treaty is bilateral consultations, within the framework of which both parties have the opportunity to express their opinion regarding the observation of the treaty, and that in the intergovernment commission regarding the sphere of stipulations on minorities (Article 15, Section 6 of the treaty) and in legislative and executive bodies of the two states regarding general issues (Article 5). The international control mechanisms for the sphere of stipulations on minorities (Council of Europe or OSCE [Organization for Security and Cooperation in Europe]) can be used only according to the rules binding to both sides, i.e., with their approval.

The treaty enshrines the principle of loyalty of persons belonging to ethnic minorities of the state, on the territory of which they live, because the parties to the treaty recognize in the preamble that the persons belonging to ethnic minorities form an integral part of the society and state of the contractual party, on the territory of which they live, and in Article 15, Section 3 agree that equal rights and obligation given by their

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citizenship apply to the persons belonging to ethnic minorities as to all the other citizens of the given state.

To Curb Misleading Taking Out of Context

The treaty as a whole creates the conditions for a real solution to Slovak-Hungarian relations, and, in this respect, it provides both states with enough opportunities and tools to ensure its implementation in goodwill, and thereby satisfy it in letter and spirit. The Government of the Slovak Republic is convinced that the Hungarian party also has enough reasons to approach its implementation in this sense rather than wasting efforts on misleading taking its individual parts out of context because that can only lead to risking the not so easily attained compromise.

The Government of the Slovak Republic is convinced that, from the point of view of Slovak foreign political interests, the signed Slovak-Hungarian treaty will not only contribute to the reinforcement of Slovak-Hungarian relations and stability in the Central European space but also become an important milestone and a specific step en route to integration of the Slovak Republic into European and euro-atlantic structures.

Above all, it must be emphasized that this treaty is an international legal document and as such it is subject to exclusively legal interpretation. One cannot ever completely prevent politically oriented misinterpretations—and we bear witness to such attempts also in the instance of this treaty—but these misinterpretations are legally irrelevant. Similarly irresponsible are all attempts at taking individual articles, sections, or phrases out of context of the entire treaty. The treaty forms an integral entity, and its interpretation has meaning only in the complexity and context of the entire text.

The Treaty Is a Compromise

It must be emphasized that this treaty between the Slovak Republic and the Republic of Hungary is, as any political treaty, a compromise and could not be anything but a compromise: It was signed by two equal and sovereign states based on their free will to settle their mutual relations in the interest of stabilization of the Central European region, following their own interests respectively and the principle of mutually beneficial cooperation. As any compromise in the history of interstate relations, this treaty aroused many extreme reactions not only in Hungary but also here in those who, like the representatives of the Hungarian Coalition or at least some of them, are not and never will be satisfied with the European standard of individual rights of the persons belonging to ethnic minorities but also in those who, fearing abuse of the minority problems, interference of a foreign state in our affairs, or that wrongs of the past would not be settled, consider this document unacceptable and disadvantageous and even a betrayal of Slovak interests.

It is said that the treaty is not perfect. Is it possible, however, for a compromise to be perfect, in which by definition everyone loses something and gains something? The important thing is that the compromise attained by this treaty has other, now relevant aspects: The text of the treaty is an outcome of what the two parties could agree on; it is balanced and acceptable because it respects national and state interests and priorities of Slovakia in relation with abroad.

Hungarian Party Against Slovak-Russian Links

LD2812173295 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 28 Dec 95

[FBIS Translated Excerpt] The Hungarian Civic Party [MOS] today gave its last news conference this year. [passage omitted] Roman Uhlik, journalist, reporting:

[Uhlik] MOS Deputy Chairman Laszlo Gyurovszky said at the beginning that it is up to the opposition to create an alternative to the existing government. He thinks that, with the contribution of the Democratic Party [DS], led now by Jan Langos, the opposition has a good chance in the elections of gaining quite a significant majority in the Slovak parliament.

Laszlo Gyurovszky then spoke about the results of the Russian elections. He said that the Russian political spectrum is shifting toward nationalism and that the Russian democratic forces are dispersed. He thinks that—I quote Laszlo Gyurovszky—Russia has imperial ambitions, and, if Slovakia aligned itself with the Russian policy, it would waste a historic chance to establish links to the European Union and NATO, end of quote.

Laszlo Gyurovszky also spoke about his party's intentions for 1996. He spoke about plans to adopt a new program that should be compatible with the programs of Slovak democratic parties. He claimed that MOS intends to continue its pragmatic realistic policy: In foreign policy, it wants to prevent Slovakia's moving closer to Russia and to promote Slovakia's orientation toward the West.

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HZDS: Coalition Ties Misrepresented in ZRS Paper

AU2912103895 Bratislava SLOVENSKA REPUBLIKA in Slovak 20 Dec 95 p 2

[SLOVENSKA REPUBLIKA report: "Movement for a Democratic Slovakia Disagrees With Excerpts in the Daily PRACA"]

[FBIS Translated Text] Bratislava—On 19 December, under the headline "Analysis of Relations in the Structure of the Association of Workers of Slovakia [ZRS]," the daily PRACA published some excerpts from an (alleged) internal paper drafted by OPR [expansion unknown] ZRS Bratislava. The authors of this analysis assess, among other things, the ZRS's coalition cooperation with the Movement for a Democratic Slovakia [HZDS]. They do so in an inappropriate and misleading manner. The HZDS cannot agree, for example, with formulations such as "the ZRS is subordinate to the HZDS. In the decisive period, the HZDS chairman held talks only with the ZRS chairman," "participation (by the ZRS) in deciding on the government's policy is not being seriously considered," and so forth. The HZDS's cooperation with the ZRS, in the same way as its cooperation with the other coalition partner, the Slovak National Party, has from the beginning been clearly declared in coalition agreements, which are the product of negotiations between the leaderships of these parties and movements. These agreements codify the coalition members' independent status as partners and clearly guarantee their right to uphold their own views. Disputed issues are always the subject of equal talks and their solution the result of mutual consensus.

ZRS Affirms Privatization Used To Finance Party

AU2912103795 Bratislava NARODNA OBRODA in Slovak 20 Dec 95 p 11

["From an Analysis of Relations in the Association of Workers of Slovakia Structure—Program for Party's Being in Opposition"; reprinted from 19 December issue of Bratislava PRACA in Slovak]

[FBIS Translated Text] We have managed to acquire an internal paper, entitled "Analysis of Relations in the Structure of the Association of Workers of Slovakia [ZRS]," drafted by OPR [expansion not known] ZRS Bratislava, writes PRACA No. 293 by way of introduction to the paper, in which it is stated, inter alia:

It is necessary to reckon with the ZRS's decision to enter the elections independently. Likewise, it is necessary to reckon with the ZRS's failure in the elections and to have a plan ready for the event that the ZRS will find itself in parliamentary opposition, with a minimum number of seats, or that it will not qualify for the National Council of the Slovak Republic [NRSR] at all. The party has its representatives in state agencies and in the state administration. This is not a negligible number of people. After the party's electoral failure, these people will automatically be dismissed. The party cannot leave them to their fate and let them report to labor offices as unemployed. The ZRS should look after them, but not only them.

Until the end of 1995, the ZRS should therefore participate in privatization under all circumstances, through its own firms, firms loyal to the ZRS, or through firms set up for this purpose by ZRS members. This represents an economic contribution to the party and, in the event of its failure in the elections, also to ZRS representatives in the state administration. These can immediately become employees in these firms without the party suffering moral damage among its member base.

It is therefore inevitable that, until the end of 1995, the ZRS secure its economic background by legal means, including notarized agreements with people entered in the trade register and represented in limited liability or shareholding companies, agreements on permanent sponsorship with specific annual sums, and agreements on the employment and salaries of ZRS members currently in state administration. Persons determined by the ZRS must be entered in the trade register as co-owners, and in some cases they must have majority share.

It is therefore necessary, in the event of the ZRS's ceasing to be a government party, to secure some 300 jobs in ZRS-controlled or ZRS-owned limited liability or shareholding companies for ZRS members who now work in the state administration.

The ZRS has been constituted in 38 districts and eight major municipal districts of the Slovak Republic. If we add to this the ZRS headquarters and the regional offices, the ZRS operates a total of 50 offices. The sum of 11.278 million korunas [Sk] is needed for their employees' wages and levies, to which we have to add Sk1.8 million for office supplies and telephone and fax bills, the same sum for operating costs, and Sk960,000 for other needs. Altogether, this represents an annual party budget of Sk15.738 million. The cost of acquisition, however, will be as much as Sk29 million.

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SPZ Has 2 Chairmen After Extraordinary Congress

AU2812180295 Bratislava SLOVENSKA REPUBLIKA in Slovak 27 Dec 95 p 2

[Unattributed report: "Who Actually Is the Chairman of the Party of Entrepreneurs and Tradesmen?"]

[FBIS Translated Text] Bratislava—The Party of Entrepreneurs and Tradesmen of the Slovak Republic (SPZ) is very distraught by the conduct of former SPZ Chairman Vladimir Randa, who exerts every effort to discredit this political entity. This is written in the SPZ statement on the attempts to discredit the Party of Entrepreneurs and Tradesmen provided by the party's newly elected chairman Ivan Sykora. It further states that an extraordinary Slovakwide SPZ assembly took place in Nitra on 22 December, which properly recalled Vladimir Randa from the post of party chairman and elected the party's new executive.

Vladimir Randa, on the other hand, provided contrary information pointing out that former SPZ members Ivan Sykora, Jan Zoldak, and Frantisek Muzik [the latter two men were elected party deputy chairman at the extraordinary congress] do not have the right to speak for the SPZ of the Slovak Republic because their membership in the party was terminated on 12 December 1995. Statements in the name of the SPZ can only be issued by party chairman Vladimir Randa and deputy chairman Jozef Gajdosik.

[Bratislava PRAVDA in Slovak on 27 December on pages 1 and 3 in a similar report adds, quoting Randa, that, according to party statutes, only the party chairman can call the congress, and therefore the outcome of the illegal congress is not relevant.]

Defense Official on Size, Role of New Home Guard

LD2812174995 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 28 Dec 95

[FBIS Translated Text] The organizational structure of the Slovak Republic Army has acquired a number of new elements this year as a result of the transformation process it is undergoing. They include the Home Guard, which has once more been the subject of much discussion in recent days. Miroslav Minar asked Defense Ministry spokesman Frantisek Kasicky for an interview on this subject:

[Begin recording] [Minar] I think, Mr. Kasicky, that it would be appropriate to recall why we are introducing a Home Guard into the Slovak Republic.

[Kasicky] It must be stressed that in its [fall 1994] policy statement, and in particular in Section 5 on the development of democracy, the political system, and law, the Slovak Government emphasized among other things the need to continue with the transformation of the Slovak Republic Army without reducing its fighting capability and including a reassessment of the effectiveness of the system of mobilization backup, in which the regiments and units of the Home Guard will play a significant role. The Home Guard was thus set up under the Defense Ministry in line with the policy statement of the Slovak Government.

[Minar] So the Home Guard will fall within the organizational structure of the Defense Ministry and the General Staff. What tasks will it perform?

[Kasicky] The name Home Guard is a national term for a territorial army that conveys the national character of the defense of the Slovak Republic. The Home Guard as such is a specific form of ground troops of the Slovak Army, but one that is formed when the country is on military alert. The Home Guard as such is also assigned to perform the following tasks, among others: Defending important areas and installations in the interior of the country, fighting tactical paratroops and diversional groups; it will also participate in the evacuation of the civilian population during rescue and clearance work.

However, it is important to stress that the organizational elements of the Home Guard brigades and companies already exist in peacetime and are located throughout the Slovak Republic in preparation for their future tasks.

[Minar] So the part of the Home Guard that has been set up in Zilina [western Slovakia] is in line with the overall purpose of the Home Guard?

[Kasicky] Yes. There has been a Slovak Republic Army Home Guard training center in Zilina since 1 October. The purpose of the center is to train specialists to serve in the units of the Home Guard and to provide for the training of reserves. The reason for siting the center in the town of Zilina was, above all, the fact that it had empty and suitable living quarters and training grounds. The training center as such has 150 planned places.

As far as arms to be carried by members of the training center and others are concerned, we are talking about light hand-held weapons. Of course there are plans to complement these Home Guard units in the future with antitank and antiaircraft weaponry and engineering technology from the Slovak Army. It has to be stressed that the Home Guard is to comprise six brigades and 37 companies, and, as I have already said, these units are stationed throughout the territory of the Slovak Republic. [end recording]

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Tracking of U.S. Aircraft 'Pure Misunderstanding'

LD2812192995 Budapest Kossuth Radio Network in Hungarian 1700 GMT 28 Dec 95

[FBIS Translated Text] It was reported a few days ago that the American pilots flying over Hungary felt rather uncomfortable when their instruments sensed that an unidentified radar locked in on them. Since then the misunderstanding has been clarified—the Hungarian air defense's missile units will not disturb the Americans while the Americans, for their part, will provide precise information about the movement of their planes. Karoly Levai has interviewed Lieutenant General Sandor Nemeth, the army chief of staff.

[Begin recording] [Levai] Have you succeeded in clarifying the misunderstandings?

[Nemeth] Yes, we have succeeded, I believe. It had been pure misunderstanding. What was happening was that our radar [radio-tehnologiai] system, our aerial intelligence system, which controls the country's airspace and identifies objects in it, does work. It is in operation now and will be in operation in the future, too. This does not mean that the air defense missiles are in a state of alert. What it means is that we, as a sovereign country, must ensure the security of the airspace of our borders.

The American planes are equipped with instruments that sense that a certain locating device is in operation in the particular area where the plane moves. Obviously it was this that the Americans have observed, and at the time they did not know precisely what was happening. Now we have clarified this, and it is now clear to them.

[Levai] In other words, the misunderstanding stemmed from the fact that they did not know whether it was the [Hungarian] air defense missiles' radars or whether it was the radars of the national network [halozat] that located them?

[Nemeth] It is conceivable that they knew even this, but someone must have misunderstood the whole situation because yesterday [27 December] when the issue was being clarified, it was perfectly clear to them as well. There is no problem related to this matter whatsoever.

It is very important for us that American aircraft leaving or entering the country's airspace...[pauses] that we should know precisely in good time and in advance when they leave and when they enter and how many aircraft are involved, because we must differentiate between them and other potentially arriving aircraft.

We have agreed with the American side that they will signal to the Taszar center [base of U.S. IFOR troops in southern Hungary] in good time and in advance as to what kind of aircraft are about to depart or enter the country and in which direction. They have also installed near the southern border separate radio equipment that makes the signalling of this kind of information to us easier. [end recording]

Payment for Damages From IFOR

LD2812215895 Budapest Kossuth Radio Network in Hungarian 1700 GMT 28 Dec 95

[FBIS Translated Text] The vehicles of the peacekeepers going to Bosnia do not need insurance policies for Hungary. The Hungarian Government will compensate for the damages caused by them.

This has been stated by the Ministry of Defense. The press office of the ministry has recalled that the National Assembly recently adopted the so-called Sofa agreement, which drew up the legal framework of the stationing of the Implementation Force [IFOR]. Under the agreement, the state settles the damages first, then presents IFOR with the bill.

The ministry has released this statement because in a recent letter to the minister of defense, the Federation of Hungarian Insurers complained about the legal confusion surrounding the issue. They did so, the ministry said, despite the fact that the text of the agreement has been published, inter alia, in MAGYAR KOEZLOENY.

Concern About Bilateral Treaties, Minorities

Kovacs on Delay in Ratification

AU2812190495 Budapest NEPSZABADSAG in Hungarian 28 Dec 95 pp 1, 3

[Article by Gabor Szego: "The Latest Bratislava Postponement Is Regrettable—FM Laszlo Kovacs on the Basic Treaties"]

[FBIS Translated Text] We consider it regrettable that, after the originally promised early summer, then autumn, then a December date, with the latest postponement of the Bratislava parliamentary debate on the Hungarian-Slovak basic treaty, the ratification of the document is again suffering delay, Foreign Minister Laszlo Kovacs told NEPSZABADSAG. Kovacs also said that Hungarian diplomacy treats the Romanian-Hungarian basic treaty and the three-part document proposed by President Iliescu as an integral whole and plans to accept and sign them together.

The Bucharest initiative was aimed at the acceptance of a joint political statement, an intergovernmental agreement regulating cooperation mechanisms, and a code of conduct settling the situation of the national minorities. After carefully studying the Romanian version of this three-part document of reconciliation, the relevant

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deputy state secretary of the Foreign Ministry will in the coming days hand over the Hungarian reply. In drawing this up, the six parliamentary parties as well as the Hungarians in Romania and the domestic Romanian minority were included in the consultations, Kovacs said.

The Hungarian version of the minority code differs from the Bucharest version in that it suggests a legally binding document, and we would enrich the contents of the document on the cooperation mecnanisms. The political statement would lay down the fact that with the signing of the basic treaty, the cooperation document, and the minority code, the legal framework and political conditions of conciliation between the two countries, and the majority nation and the national minority have been established.

Parallel with the exchange of the draft agreements, work on the final version of the basic treaty is continued. (The latter document is almost completely ready; the chapter on national minority issues has some—although very important—open questions.) Therefore, Hungarian diplomacy treats the above four documents as an integral whole and their acceptance and signing can take place at the same time.

As for the Council of Europe's Recommendation No. 1201, no signs of compromise can yet be seen. President Iliescu explained last to the SUEDDEUTSCHE ZEITUNG at Christmas that his country still did not recognize the Strasbourg position. However, for Hungary, Kovacs said, it is still an element of key importance for the international documents, which are also included in the Hungarian-Slovak basic treaty and which give the most overall summary of European norms on national minority rights, to be used as a point of reference in the basic treaty. As a matter of fact, the parliamentary assembly of the Council of Europe confirmed the validity of Recommendation No. 1201 in a new resolution this year, to forestall the opinion which considers this document "outdated."

In the case of Slovakia, we consider it regrettable that the ratification of the basic treaty, which was originally intended for early summer, then early and then late autumn, finally in December, is again suffering a delay after last week's postponement of the parliamentary debate, Kovacs said. This way, almost a year can pass since the March signing in Paris before the law is put into force in both countries, although the Hungarian side ratified the treaty at the beginning of the summer, therefore, the credibility of our country cannot be questioned, Kovacs said.

Certain "debates on interpretation" have again emerged rather emphatically during the Bratislava debate. A number of deputies suggested that an expert committee should first come to an agreement on this point or perhaps a separate explanatory resolution should be attached to the basic treaty. According to Kovacs, such suggestions on "supplements" can by no means modify the originally signed document since a bilateral international treaty can only be interpreted by both sides together. Therefore, although the Slovak national assembly has the right and possibility to attach, parallel to the acceptance of the basic treaty, some kind of resolution on interpretation to it, this does not have international legal validity, Kovacs told NEPSZABADSAG.

Conscription in Vojvodina

LD2912130895 Budapest Kossuth Radio Network in Hungarian 1100 GMT 29 Dec 95

[FBIS Translated Text] Conscription is continuing in Vojvodina despite the peace treaty.

In proportion to the overall population, the authorities are actually conscripting considerably more Hungarians than the ethnic ratios would suggest. This emerged at the official visit of Miklos Csapody [foreign affairs spokesman of the opposition Hungarian Democratic Forum, MDF] in Little Yugoslavia. The information was imparted to the MDF deputy by the hosts, the politicians of the Hungarian Association of Vojvodina [VMSZ]. The political organization of Vojvodina Hungarians protests against the procedure, which carries the danger of further population migrations. Moreover, the young conscripts are for the most part heads of families. Those left at home become impoverished; for that reason they might take to the road and follow in the wake of the 50,000 Hungarians who left since the start of the war. On 26 December, the VMSZ adopted the organization's autonomy concept, which lays down equality of rank, personal autonomy, and minority regional self-organization rights. At the same time, this forms a part of the politicical organization's election manifesto.

Horn Views Achievements, Problems of 1995

AU2812210295 Budapest NEPSZABADSAG in Hungarian 23 Dec 95 pp 1, 6

[Interview with Hungarian Prime Minister Gyula Horn by Peter Vajda; place and date not given: "We Have Learned From the Vanished Illusions—Prime Minister Horn on the Social Tensions"]

[FBIS Translated Text] In his Christmas interview for NEPSZABADSAG, Prime Minister Gyula Horn says that the initial results of consistent economic policy may appear already in 1997. In his view, neither the government nor the Hungarian Socialist Party [MSZP] has done all it could to make society understand its

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goals and intentions. He does not wish to dramatize the debates with the Free Democrats and wishes to continue on the road of coalition cooperation.

[Vajda] To us, it seems that the government has reached more in the macroeconomy than it had expected, the payment balance has improved, industrial production has increased, and the privatization incomes are also better than expected. However, the question arises in society: Are we not paying too much for this? Are this price and the social tensions unavoidable?

[Horn] I will start by saying that we would like to pass on the World Bank's assessment of Hungary to the parliamentary deputies. This lists all the factors that were untenable in the welfare provision system of the past decades. It can be seen from the document—which I consider objective—that these systems are characterized by wastefulness and shortages at the same time. Naturally, everyone looks at this from their own point of view and, although a big majority of the population senses that changes are needed in these areas, people find it difficult to accept radical changes in their own lives. This is where the above tensions stem from. No miracle cure exists for resolving these tensions, but we must talk to people, and I try to talk to everyone who needs it. I am convinced that if we have the strength to persevere in 1996, if we can unfold the reform of state administration, then the initial results will appear already in 1997. This does not mean that we have to wait with everything until 1997. For example, it is absolutely necessary to set up job creation schemes for those hit by staff reductions. I would mention that 170,000 workplaces ceased to exist in 1995, but more than 175,000 new workplaces have been created, which means that the economy is undergoing a structural change.

[Vajda] You talk about a difficult transitional period. Together with others, I was in your office when we could hear the slogans of the demonstrating students. How do you live through this?

[Horn] With great difficulty. I am a left-wing politician, and I have empathy for the problems of all those who find it very difficult to live through this period. As you have mentioned this demonstration: The talk I then had with representatives of HOKOSZ [students' representative body] was useful for me. I came to realize that many people believe that the state is simply trying to be nasty with various strata of society. They do not know the narrow path we are forced to follow. This is partly our fault.

On an Equal Basis

[Vajda] Who is this we? The government or the MSZP?

[Horn] I meant the government, but I could mention both. The MSZP could also give a lot of help to the government in explaining the causes. This has to be done. We are questioning decades-old rights; many people also feel nostalgia for the past regime that, even if only modestly, managed to make life predictable for the young and old. However, it should be understood that this system eventually became untenable because it was unable to give an adequate performance. The government must not be left on its own in explaining this. Mainly, the government coalition's two parties must work hand in hand in this.

[Vajda] The normalization of relations between the two coalition parties does not seem to be steady. I am thinking, for example, of the much-debated vote on personal taxation....

[Horn] We were in a constrained situation on the issue of personal taxation; we had to ensure sufficient income for the budget. Our voting base is also affected by what we were forced to do—the MSZP also sees itself as a representative of the middle classes. We were forced to reach a temporary decision. As for the conflict, I have no illusions, and similar disagreements can still arise between the two coalition parties. We must give civilized political answers to the clashes of views and interests. I was not happy about the Alliance of Free Democrats' [SZDSZ] attitude because clear rules exist for such cases in the coalition agreement, but I think that they also learned from this case. In other words, we need not dramatize the events. The most important thing is to draw the conclusions and continue our work by adhering to the coalition agreement.

[Vajda] You often say that you do not properly convey the situation and the constraints to society....

[Horn] Yes, and I add that many journalists are also our partners in this....

[Vajda] I would continue by asking if you think that these communication problems are partly caused by the fact that you deal too much with your internal problems and with navel staring and that people are not willing to "buy" this?

[Horn] I do not agree with this opinion. When we seem to be dealing with our own problems, very serious issues are usually in the background. What burdens we place on various strata of society is not a question of prestige or ideology. As to the impression that the dialogue is not satisfactory, I can only repeat that I can understand the problems of the hundreds of thousands and millions who, among others, could not decide easily what to put under the Christmas tree. I understand them, and my thoughts are with them. At the same time, I can feel that

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people can also sense much of what we have achieved. In addition to the already mentioned macroeconomic achievements, I also mean that we can say that it was this government that did everything it could to broaden democracy: To ensure that no one could be discriminated against because of their perception or religion in this country and to make people understand that, for us, no such terms exists as national and less-national persons. People notice this, too, although they are starting to see this as something natural because we forget quickly. However, this is how it should be, even if this is not exactly what happened in the previous four years. In my view, we can be proud of this democracy and, regardless of how many rejections I get from the opposition, I have consciously aimed and am aiming to reach agreement with them, just as with the churches, civilian representations, trade unions, and so on, in the spirit of equal partnership.

[Vajda] Speaking of the trade unions; with what result? You did not manage to achieve the social and economic agreement [TGM]. What next?

[Horn] I take responsibility for many things, but not for the failure to achieve the TGM. Perhaps it was an illusion to assume in the current situation that an overall agreement could be achieved with the social partners. Interests are clashing today: The issues of one area can only be put right at the expense of another. We learned from the vanished illusions and said that we should try to reach the price-wage agreement for 1996.... The developments are known. At the same time, I suggested to the trade unions to make a three-year agreement. We will draw up our proposal on this by 31 December and, on the basis of this, talks can hopefully begin in January.

[Vajda] You talk about your government's plans in the name of your government, but the statements of the finance minister, for example, sometimes appear to represent a different policy.

[Horn] In my view, Lajos Bokros is an excellent finance minister, he is very good at his profession, but it might be better for him to make fewer political-type statements. I already mentioned this in the summer, and also told him that, rather than the Finance Ministry, it should be the relevant ministries that determine the financing system of public education or health.

[Vajda] One gets the impression that, in addition to ensuring the relevant ministries' priority, you also want to ensure a say for the Prime Minister's Office. You have often mentioned a council dealing with economic and welfare issues, for whose leadership Sandor Nagy [former trade union leader] has been mentioned. Are you sticking to this plan, and to what extent is this linked to Nagy?

[Horn] Yes, I continue to believe that we need a body that thoroughly analyzes the economic and welfare type government proposals and, if necessary, puts its suggestions on my desk. This would improve decisionmaking because we are often short of time and decisions are not well founded because of this. It is an open question whether Nagy will accept this position, but I am convinced that his professional knowledge would be a great help. In addition to this, a working group also seems to be necessary in the Prime Minister's Office for preparing the targeted EU membership talks and for working out the negotiating strategy. This group would work together with Foreign Ministry experts. This working group would also start its work sometime early 1996 because at least two years are needed for the preparations as we have every chance to start the admission talks in 1998.

[Vajda] In Miskolc [at the party congress], you spoke bitterly about the advance of corruption; considering this, it seems that nothing much is happening. I would add that many people say, and it was also suggested regarding the parliamentary "oil-gate" affair, that corruption has also reached your party. What is your opinion on this?

[Horn] I categorically deny that we have done nothing. We have taken very many operative and administrative measures to suppress the illegal economy and economic crime, but the results do not simply depend on the government's decision. The government of the day can only act in accordance with the laws and rules in force. It takes a long time in Hungary to launch criminal proceedings, court trials are drawn out, the mills of justice are a bit slow and, unfortunately, the government cannot speed this up because it does not have the powers. As to the "oil-gate" affair, this interview is taking place before the government session, and I do not wish to prejudge the expected decision. However, I would emphasize two factors. One, this is a true Hungarian "oil-gate" because not a drop of oil is involved. Second, the MSZP has been accused—this is obviously the reason this issue was invented—but it was not possible to find any legal violations. Regardless of this issue, if the suspicion of corruption emerges anywhere in the MSZP and the issue is brought to me, then I immediately take the firmest action, be it a legal violation or "only" an ethical misdeed.

Who Is Laughing Up His Sleeve?

[Vajda] Has this ever happened?

[Horn] We have had one or two cases. I must say, though, that these days, a lot of people report others. In the vast majority of cases, these turn out to be false,

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while I have the feeling—and I cannot prove this—that those who have actually done something are laughing up their sleeves because it is impossible to get them and it is very difficult to properly prove any kind of corruption.

[Vajda] Returning to your own position, how do you, as one of the most popular politicians of the former opposition, cope with getting into the lowest regions of the popularity list? Can this drop in popularity have any effect on your position at the March party congress?

[Horn] Naturally, I find it difficult. At the same time, I receive many letters, and the senders of these letters have no cause at all to give me encouraging words. Nevertheless, their letters are an encouragement for me, and so are the comments I hear at public forums. My experience is that a great majority of people accept me, or if you like, still accept me in spite of my decreased popularity; the Socialist voting base is especially firm. As for the linking of this with the MSZP congress, I very much hope that personal ambitions will not get the upper hand.

[Vajda] Do they exist?

[Horn] They certainly do. Our party also has people who wish to assert their personal viewpoints and personal interests. This is not a party of saints, either, people exist together with their weaknesses. It can also happen here that someone refers to the public interest, but then it turns out to be a rock solid financial interest.

[Vajda] Does this surprise you? Did you expect something else?

[Horn] It somewhat surprises me; perhaps I was too idealistic.

[Vajda] Speaking of the congress and personal ambitions, do you expect other candidates to emerge for the position of MSZP chairman? And is it true that your definite opinion is that the party chairman and the prime minister should be the same person, and if you were only given one of these positions you would not accept it?

[Horn] Let me start by saying that I have no personal ambitions, I can state this most firmly. It has also often occurred to me in the past years: What is the point in putting up with all the mud slinging and the often unfounded reproaches I keep receiving? In the end, I persevered because I believe I have to fulfill what I pledged. As for my view that the two functions have to be filled by the same person, I wish to confirm this. This is not a matter of insisting on the chairman's position or on power; the point is that, as has already been proved in the West, this is the way a party can ensure that its own program will be carried out in the safest and most civilized way and guarantee unity between the government and the governing party. If this unity is broken, it is almost impossible to continue governing. I state repeatedly that I adhere to the promises I made in the election campaign. Then I said that if I can see that we have been unable to fulfill our goals, then I will draw the appropriate conclusion; I am ready to step aside at any time. However, I am convinced that the developments of 1995, and especially at the end of the year, show that we are on the right track.

[Vajda] You have mentioned public forums and people's letters. However, at other forums, remarks have been made that this Horn is no longer that other Horn and that he is living in an ivory tower. Is there any truth in this, or can you see such a danger?

[Vajda] I would not be able to lock myself up in some kind of ivory tower even if I wanted to because I have to meet many people in the course of my 14-to-15-hour working day. In spite of this, however, it is true that I have no time left for many things and many people. Very many people come and request just 10 minutes to tell me their complaints. I simply do not have time for this and, on the other hand, complaints that I cannot remedy are also brought up at such times. From the outside, this might seem as if I shut myself away. I do not do this, but I have to prioritize the tasks and the requested meetings. At the same time, I do find the time and places to meet very many kinds of people and chat with them and to read a vast number of letters in which often noteworthy advice and suggestions are presented in the public interest.

[Vajda] You have made serious foreign policy efforts, but the opposition criticizes you, saying that your efforts have not been successful either in Slovakia or in Romania.

[Horn] They criticize us, but in reality they know that they, the right-wing opposition, should have done what we are doing now, when they were in government. Without going into details, the task of declaring historic conciliation with the neighbors waited for us; this thought is not only timely at Christmas, and we owe this to history. This would not be any less significant than the French-German conciliation that started nearly 50 years ago. However, it is naive to believe that it is enough to declare this and everyone will come to embrace us. This is a long and painful journey with setbacks, as was recently shown by the passing of the Slovak language law. I trust that the negative processes in Slovakia, namely the passing of the language law and the postponement of the ratification [of the bilateral basic treaty], do not mean a permanent turn. I add that,

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both in the case of Slovakia and Romania, we have continuous dialogue with the Hungarian parties. We can also agree with them, although sometimes some people make contrary statements afterwards, which I find strange. We are also continuing our efforts regarding Romania. We agreed with President Iliescu that we would try to complete the four documents that place bilateral relations on a new footing by the end of March. There is no guarantee that we will succeed in this, but we must not give up.

Opening Toward Serbia

[Vajda] Is an opening toward Serbia possible in the new situation?

[Horn] With its modest means, Hungary has contributed to making and maintaining peace and will continue to do so. We were among the very first to offer concrete possibilities of cooperation and our participation in reconstruction after peace is signed, both to Croatia and Serbia. Improving the relationship with both of them can also mean new workplaces for us and can also improve the situation of Hungarians living there.

[Vajda] Can the future bring a Horn-Milosevic meeting?

[Horn] In my view, there is no obstacle to this. I hope that the Serbian leadership will play a very positive role in carrying out and confirming the peace process. I add that, either as foreign minister or as prime minister, I have never considered who visits whom first to be a prestige issue, it is the result that is important for me.

[Vajda] Finally, what will the private Horn do during Christmas?

[Horn] First, what I will not do: I will not run to meetings, make speeches, or make 20 telephone calls an hour. I will relax a little, for which I have not had much time during the year; this is how I will spend the holidays. I will continue to run, swim, and play tennis during the holidays because I cannot live without that anymore. From this, the tennis indicates that my wrist, which was damaged in the accident, is functioning now. In addition to this, I plan to go and see the construction of our family house, it is nearing completion. We live with my daughter, and we are building the house from the proceedings from the sale of our former flat. I would not like to live in a house provided by the state to the end of my life.

[Vajda] Does this perhaps mean that you do not foresee another prime ministerial mandate?

[Horn] Believe it or not, this question has not even occurred to me. I do not even think about 1998. The important thing for me now is to get over the majority of difficulties in 1996 and to honestly fulfill our pledges. It will not be easy. And, finally, allow me to wish all your readers a merry Christmas holiday. Let us preserve the peace of our souls and our society, and let us have enough patience even for those things that are difficult to tolerate. Therefore, I also wish that future Christmases may be more joyful than that in 1995.

[Vajda] Thank you for the interview.

Bokros Explains Privatization Spending Debate

AU2812185495 Budapest NEPSZAVA in Hungarian 23 Dec 95 p 5

[Interview with Hungarian Finance Minister Lajos Bokros by Sara Pogany and Maria Lakatos; place and date not given: "Assume That I Have Good Intentions—Interview With Finance Minister Bokros on Spending Privatization Incomes, Plans, Prospects"]

[FBIS Translated Text] We had not spoken with the prime minister and did not know that he would not agree with the use of the extra income from privatization, Finance Minister Lajos Bokros told NEPSZAVA. In his view, this money cannot be let loose on the economy all at once because this can annihilate the existing results of the stabilization program. He will inform the government party parliamentary groups on his views in January, and he will try to convince them which way in his view the privatization incomes can be used.

[NEPSZAVA] It was an unexpected surprise of the week that the privatization incomes reached 450 billion forints. Do you still dispute this?

[Bokros] As I do not have the figures, all I know is that the privatization incomes have now reached $2 billion which is equivalent to 270 billion forints. At the moment, we can count with 270 billion forints because this has arrived at the Hungarian National Bank's account. This income covers this year's and next year's level determined in the budget. Therefore, this part of the budget has been fulfilled.

[NEPSZAVA] Does this come from the privatization of the gas and electricity industries?

[Bokros] I believe that it is mainly derived from the sale of the gas and the MATAV [Hungarian Telecommunications Corporation], and some of the electricity industry companies.

[NEPSZAVA] The specific budget amendment proposal No. 574 on the spending of the privatization incomes created an incredible stir this week. What happened actually?

[Bokros] The amendment of the law on state administration, which appeared in the 13 December HUNGARIAN

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GAZETTE, obliges the government in that the budget law itself must also decide on the use of the additional privatization income which is not part of the budget revenue. Therefore, in the last phase of the budget debate, this obliged us to submit an amendment motion—it could only have been an amendment—on what to do with the expected additional privatization incomes. This can by no means be seen as a partisan action by the Finance Ministry. No separate government session had been held on the other 599 amendment motions, either, and this is not customary, anyway. This procedure might not be correct but the government does not normally vote on many hundreds of amendment proposals one by one. Whoever submits the bill also represents the government's stance, even in connection with ad hoc suggestions emerging at committee sessions. It is the responsibility of this person to assess if the amendment proposal fits in with the spirit of the bill. We thought that the amendment No. 574 corresponded to the spirit of the law, therefore, we supported it and requested an amendment motion to be worded accordingly.

[NEPSZAVA] However, this is not just one out of the many amendment proposals.

[Bokrros] I am not so certain because proposals were made on a series of issues which contained serious, reform-like proposals, for example, on financing public education or supporting agriculture. From my point of view, this was a further professional consideration of the existing economic stabilization, which means that, once Parliament accepted a budget including its income, expenses, and deficit, these expenses cannot be immediately overwritten by saying that some of the privatization incomes can also be part of the budget spending. This would increase the expenditure and the deficit, can increase domestic demand, consumption, imports, and the deficit of the current account. These could be the effects if we threw a few billion in. The calculation is the result of a mathematical equation which is taught at western universities of economics. In other words, in my opinion, this has to be part of the capital balance and should not even be part of the current budget as, this year for the first time, we calculate the deficit without the privatization incomes. At the most, we can argue about what type of investments we can finance from this money or which debts can be reduced from it. In all other cases, the macrofinancial balance would be endangered.

[NEPSZAVA] However, it seems that the prime minister had a different concept of spending this money.

[Bokros] Naturally, I did not know about this, and we had not talked about this. Obviously, if we had talked about it then we would not have made the mistake of putting forward a motion without asking his opinion. However, it should be assumed that we acted with good intention: Among the 600 amendment motions, we also assumed that this came logically from the stabilization program.

[NEPSZAVA] If this 450 billion turns out to be a real figure and we use all of it to reduce the debt, then the interest payments and repayment obligations of the budget will be significantly reduced. In other words, significant amounts will be released. Does this not mean a growth course?

[Bokros] It cannot, because there is a difference between types of growth. The growth which makes some opposition deputies so proud came about last year because it was based on an artificial boom, namely on the artificial increase of consumption and imports. Ultimately, this growth was financed from the budget deficit. This upsets the balance and cannot be sustained. I set a sustainable growth against this, which preserves the balance, and which is based on exports and investments, rather than consumption, imports, and deficit. We can only continue an economic policy which, along the additional privatization incomes, does not endanger the bases of sustainable economic growth. Therefore, on one hand, the money has to be used for the kind of export stimulation which increases exports without increasing the budget expenditure. This is, for example, the increase of the capital of the Exim Bank, or strengthening the operation of the MBFB [Hungarian Investment and Development Bank], which would make these financial institutions have a greater effect and give them greater ability to give guarantees. Repaying the state debts is another possibility. If we gave direct export incentives, we would only increase the budget expenditure by this. In other words, this money cannot be let loose on the economy because the capacities would not be able to adjust to the demand in the short term without damaging the economic balance through imports. Therefore, the money has to be used for reducing the state debt, but it is also important which part of it we repay. The debt is a complicated mass which should not be approached from a political stance. This means that some of this money will have to be withdrawn from the economy and "sterilized."

[NEPSZAVA] When the debt is reduced, then amounts that can be spent are released each week. Do you not need a supplementary budget for this?

[Bokros] We will indeed be able to spend the amount we save by reducing the state debt. At the moment, we do not exactly know the size of this amount, but I believe that we will not need a supplementary budget because, contrary to expectations, the reform of state

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administration will initially increase the expenses. The various supply systems will have to be run parallel to each other for a while. At the same time, by 1997, the deficit can be 3 percent of the GDP because the deficit can increase by less than the percentage of growth. This way, eventually we will grow out of the debt burden.

[NEPSZAVA] So what will happen now?

[Bokros] I will hopefully get a chance in January to explain my views in detail and to demonstrate this simple equation with many unknown quantities for the parliamentary group and the government. If I do not manage to convince them, then 1995 will be a wasted year although people are forced to bear very serious burdens because of the stabilization program. We must not allow this to turn into a wasted sacrifice.

[NEPSZAVA] Have you managed to discuss this with Horn?

[Bokros] No, we have not discussed such professional arguments.

[NEPSZAVA] To what extent have you managed to achieve the goals you had set for yourself when you accepted the finance minister's chair? In addition to various groups of society, you have also received many attacks from the Constitutional Court and, as a result, many of your ideas have failed. Presumably, these also played a role in your various, repeated announcements of resignations made with a tactical intent, which of course is not a crime. What balance would you draw?

[Bokros] Throughout the country, mainly in the provinces, I was able to explain my views at at least 50 forums and, in addition, many deputies from both government parties have been inviting me to their electoral districts to explain on the spot the reasons we need the forced measures which undoubtedly very much affect all of us. Even if these clarifying debates do not make me forget the failures, they give meaning and strength for my future work.

I can sense the support from the government party parliamentary groups and the government, even if the decisions which are not welcomed by everyone are made after hot debates. I am willing and would like to continue the work I have started, and I can see a possibility for this as long as all measures place further stability and the construction of the country in the foreground, rather than serving certain individual ambitions. From this point of view, I certainly have a peculiar position because I have never been and never will be obliged or committed to any interest groups. Therefore, as long as these factors exist, I intend to continue my work in spite of taking risks every day.

New Minister of Culture, Education Appointed

LD2912110295 Budapest Kossuth Radio Network in Hungarian 1000 GMT 29 Dec 95

[FBIS Translated Text] Effective 1 January, the president of the republic has appointed Balint Magyar to the post of minister of culture and public education, and Fulop Benedek to the post of administrative state secretary at the Ministry of Agriculture. The relevant documents have been submitted in Parliament House by Arpad Goncz. Ferenc Zavacz has been deputy chairman of Hungarian Radio since 20 December, but the head of state appointed him officially today.

Article Views New Law on Secret Services

AU2812191195 Budapest NEPSZABADSAG in Hungarian 23 Dec 95 p 4

[Article by Imre Bednarik: "Secret Services Against Crime—According to the Law, Members of the National Security Comittee Are Also Checked"]

[FBIS Translated Text] The secret services are facing more powerful social and parliamentary control in the future as Parliament, after many years of preparatory work, has passed the law on national security.

The new law maintains the five secret services set up in 1990, of which two, namely the Information Office and the National Security Office, also perform civilian tasks. The Defense Ministry supervises the Military Surveillance Office and the Military Security Office. The National Security Specialized Service provides technical services for the secret services. It also helps the work of the police.

As a result of long debates, the services can participate in the fight against organized crime and the drugs and weapons trade, and they can uncover acts directed against the security and financial situation of the country's economy.

The fact that parliamentary, and thus social, control over the secret services can be enforced more powerfully is one of the most important aspects of the new law. For example, the fact that only an opposition deputy can be the chairman of the Parliamentary National Security Committee provides a guarantee against all kinds of dubious political intentions. The minister will regularly inform the parliamentary committee about the activities of the services, and the committee members will be able to have much more information than before. The condition for this, however, is that members of the committee will also go through national security vetting. This vetting tries to eliminate the risk factors that can leave the given person open to blackmail and, as a result, make him become an informant.

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People filling important and confidential positions, who carry secret information in the course of their daily work, will also undergo a similar vetting. On the security questionnaires prepared for this vetting, in addition to personal and family links, the person is asked about his financial position and about special issues affecting the private sphere that might increase the security risk factors.

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Izetbegovic Rejects Any Changes to Peace Accord

AU2812155395 Paris AFP in English 1535 GMT 28 Dec 95

[FBIS Transcribed Text] Sarajevo, Dec 28 (AFP)—The Bosnian Government rejects any attempt to change the peace agreement for Bosnia-Herzegovina, President Alija Izetbegovic said Thursday [28 December].

His comment came two days after Bosnian Serbs asked the NATO-led Implementation Force (IFOR) to extend the accord's deadline for transferring Serb-held suburbs in Sarajevo to Bosnian Moslem control.

"We reject any attempt of change of the political part of the Dayton agreement," Izetbegovic told reporters in Sarajevo.

He acknowledged that the accord gives IFOR's commander, U.S. Navy Admiral Leighton Smith, the power to change deadlines, but "only for technical and military reasons."

Even then, he said, postponements cannot last longer than several days.

Smith has said that he would consider the request to extend the February 3 deadline for Bosnian Serb forces to withdraw from Serb-held suburbs, which the United Nations says are home to 70,000 Serbs.

Two months later, control of the suburbs would be asserted by the Bosnian Government.

Smith had said after his meeting in Pale on Tuesday with Momcilo Krajisnik, speaker of the Bosnian Serb assembly, that he would seek "wise guidance" from two of his senior commanders on whether to extend the deadline.

One of those commanders, British General Sir Michael Walker, chief of NATO ground troops in Bosnia, refused Thursday to say explicitly whether he would recommend an extension or not.

"We are not empowered to renegotiate the peace agreement," he said. "What we are empowered to do is to adjust the time-lines by which it is implemented."

He added that Smith was examining details of the agreement to ascertain exactly what lies within his power.

Izetbegovic said he had sent a letter to Smith on Wednesday stating that the Bosnian side wants a strict implementation of the U.S.-brokered accord that was hammered out in Dayton, Ohio in November and signed this month in Paris.

He added he was satisfied that peace had returned to Bosnia, even though it might be "a bitter one."

"I think the war is over," he said.

Since rebel Serbs did not crush Bosnia in 1992, when they were at peak of their strength, they cannot do so "now when we have our own army."

"In such new circumstances, I don't believe we will be attacked again and that is why I believe this is an introduction to a permanent peace," Izetbegovic said.

Comments on Sarajevo, Elections

AU2812170395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 28 Dec 95

[FBIS Translated Text] The traditional New Year news conference of the Party of Democratic Action [SDA] was very well attended. Apart from correspondents from all domestic and numerous foreign media, numerous ambassadors, members of the Bosnia-Herzegovina Government, directors of big enterprises, and public and cultural personalities were also there. They all wanted to hear the address by Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, SDA president, and, according to EL MUNDO, the international personality of the year. Here is a report by Mladen Bosnjak.

[Begin recording] [Bosnjak] Alija Izetbegovic, president of the state presidency and SDA president, was very brief in his introduction, thus leaving more time for correspondents' questions. He started his address with the conclusion that the peace that has arrived in Bosnia-Herzegovina was bitter and cold,but that, as such, it also gave our country and our people a chance for survival. Continuing, Mr. Izetbegovic said:

[Izetbegovic] With this conclusion and such hopes, we are entering 1996. Nothing has been resolved finally. We must continue with our work and our struggle. The result of this struggle depends on numerous factors. We are happy to be one of the important creative factors. In other worlds, a part of our fate also lies in our hands. It is a shame that we are not a subject, but an object of everything that will happen in this struggle that will unfurl further in the peace conditions. We have the greatest trust in those who (?have passed their test) in this war. Our party has announced its cadre revival throughout Bosnia-Herzegovina. We are proposing to the party and the country to rely on the soldiers of this country and that the behavior of the people in the struggle that has just ended [words indistinct] be the main criterion.

[Bosnjak] To the first question, whether he thought that the war was truly over, Mr. Izetbegovic answered:

[Izetbegovic] I believe that the war is over. I would not say that... [changes thought] It will take generations

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for the attackers to forget the blows that they received. I do not believe that they will again dare to raise their hand against these people. Their biggest chance was in the summer of 1992. The aggressor then had everything—the former Yugoslav People's Army, its tanks and artillery—and it failed. Our present generation grew up without our own army. We have only created our army in the last few years. Therefore, in such new circumstances, I doubt that we will be attacked again.

[Bosnjak] Answering a question on what he expected from the elections next year, SDA President Alija Izetbegovic said that it is difficult to foresee the outcome, and added:

[Izetbegovic] We think that the SDA will definitely be one of the leading parties in this struggle. Our party made enormous sacrifices in this war. It lost many people in direct combat. Hundreds of its prominent members lost lives in the war. This is our main message to the people. Naturally, there were also many mistakes. We will surrender ourselves to the assessment and the judgment of the people in this respect.

[Bosnjak] A question by a foreign correspondent seemed to anger Mr. Izetbegovic somewhat. For that reason, in his reply, he first said that the Sarajevo municipalities of Ilidza, Ilijas, Vogosca, and Hadzici were indeed Serb, however, at present following a brutal ethnic cleansing. Afterward, he stressed particularly:

[Izetbegovic] Despite all this, we are calling on the Serbian people to stay in their homes, apart from the criminals whom we shall prosecute. We demand that the expelled people return to these municipalities, to their homes. This is also envisaged by the Dayton accord. Nothing that is not envisaged by the Dayton accord will pass in Sarajevo. We will demand strict implementation. Yesterday, I sent a letter to Mr. Leighton Smith regarding this.

[Bosnjak] When asked whether the SDA pursued a biased cadre policy, namely a cadre policy to the detriment of the Serbs and the Croats, the first man of the strongest Bosnia-Herzegovina party replied that there were more Serbs and Croats in the authorities than there were proportionately represented on the territory of the federation. Commenting on the calls for parity made by the representatives of the Croat people, Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, said:

[Izetbegovic] These questions were resolved by the Constitution. We will insist that the Constitution be realized. The parity principle is only envisaged in the presidency of the Republic and the Federation. In the government, as you know, according to the Constitution, it is envisaged that the Federation government will contain a third Croats, while the rest should be Bosniaks. Therefore, the call for parity cannot be accepted, nor it is just.

[Bosnjak] These were the main details of the expose by Mr. Alija Izetbegovic at the regular SDA news conference today. The news conference was opened by Mr. Ismet Grbo, who emphasized that 1995 was particularly important for the SDA because it ended with a realistic sense of moral victory and, for those who attacked us, with the recognition that Bosnia-Herzegovina was defended as a sovereign country. He wished everybody a peaceful and prosperous 1996. [end recording]

Muratovic: IFOR Arrival Means 'End of War'

AU2812155295 Zagreb VECERNJI LIST in Serbo-Croatian 23-26 Dec 95 p 15

[Interview with Hasan Muratovic, minister in the Government of the Republic and the Federation of Bosnia-Herzegovina, by Azra Kaurin; place and date not given: "This Is the End of War"]

[FBIS Translated Text] After four years of presence in Bosnia-Herzegovina, numerous failures and disappointments, the UNPROFOR [UN Protection Force] has turned over responsibility to IFOR [Implementation Force]. In Bosnia-Herzegovina hope prevails that IFOR will do what the UN forces have not. Dr. Hasan Muratovic, minister in the Government of the Republic and the Federation of Bosnia-Herzegovina in charge of relations with the UN, says the following about the beginning of the IFOR activity:

[Muratovic] The IFOR administration has so far proven fairly inert. It has not made contracts for the new installations and their takeover as quickly as we have expected; only the takeover ceremonies have been held according to our agreement.

[Kaurin] Are there any unsolved problems which remained after the arrival of IFOR?

[Muratovic] We have significant problems regarding the accommodation of the IFOR troops, particularly in the region of Sarajevo. The barracks in Rajlovac, under control of the Serbs, was supposed to serve for the accommodation of IFOR troops. There is considerable damage which IFOR intends to repair only after the official entry into the region of Rajlovac.

[Kaurin] Has UNPROFOR, before its departure from Bosnia-Herzegovina, paid for the damage it inflicted?

[Muratovic] The damages have not been paid for. There are huge changes in the installations and in the wider

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surroundings where UNPROFOR was accommodated. In order to return those installations to their original condition, we will need huge investments and several months of work. All the damages will be determined at the takeover of the installations one of these days.

[Kaurin] Will this one year of IFOR presence in Bosnia-Herzegovina be a lull before the storm?

[Muratovic] No, not at all. This is the end of war. All these activities that will follow in this period of one year, as long as IFOR will be present here in Bosnia-Herzegovina, I am deeply convinced, will result in the final appeasement of the situation and turning people to other activities.

[Kaurin] Is there any possibility that Bosnia-Herzegovina will experience the fate of Cyprus?

[Muratovic] Bosnia-Herzegovina certainly cannot experience the fate of Cyprus. U.S. President Bill Clinton has taken upon himself, in front of the Congress, Senate, and the whole U.S. public, that NATO will withdraw after a year. We believe in that. There is also an obligation in relation to the Army of Bosnia-Herzegovina which within that period should grow strong enough in order to reach a full balance of power in Bosnia-Herzegovina and in the Balkans in general. The task of the international community is not only the implementation of the Dayton agreement and creation of peace in Bosnia-Herzegovina but also the creation of permanent conditions for peace by strengthening our army.

[Kaurin] Before IFOR's arrival, the calculations on how much they would be spending started to be made. How big are the chances that Bosnia-Herzegovina will earn something, employ a part of the population, and so on?

[Muratovic] In my opinion, every army causes more damage than it brings profit. A certain number of people will be employed, there will be some income. However, IFOR brings in a lot of equipment, and I am sure that new destruction of otherwise poor traffic infrastructure in Bosnia will occur. They will not be people who spend much. We have experience with UNPROFOR. I believe that Croatia, too, had a similar experience. There has not been, and there will not be, any considerable material benefit from those forces.

[Kaurin] And, in the end, in these cold winter days, the population of Sarajevo is once again without gas, the only fuel. What are the chances of an improvement in the supply?

[Muratovic] Every other day certain districts of town are being warmed up. If we do not make an agreement that would grant the Russians payment for all debts from the previous three years, the Russians will cancel gas deliveries. The share of the debt belonging to Bosnia-Herzegovina is only 10 to 15 percent of the total amount. Everything else is gas expenditure in Serbia and in the currently occupied territories of Bosnia-Herzegovina under control of the Serbs. While Serbia was under sanctions we were forced to sign a contract that said that the quantity of gas used in Serbia is to be registered in our contract.

[Box, p 15]

Sarajevo

[Kaurin] The peace agreement on Bosnia-Herzegovina will succeed or fail on the question of Sarajevo. Will it be possible in the next 45 days to enter the currently occupied parts of Sarajevo?

[Muratovic] I personally believe that IFOR will fulfill its obligations within the determined period. Mainly the French will be deployed to the region of Sarajevo. We have had certain reservations, because those were the same French troops that participated in UNPROFOR, now becoming IFOR. However, we have been given assurances by Louis Jeller, their new commander, as well as by the French president, and we are also hopeful because of the understanding that U.S. Admiral Leighton Smith will be the chief commander. We are sure that the military part of the agreement will be carried out dutifully, and then it will remain to the legal organs of authority of Bosnia-Herzegovina and Mr. Carl Bildt to realize the civilian part of the agreement.

Army, HVO Discuss Accord Details With OSCE

AU2812181095 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 28 Dec 95

[FBIS Translated Text] As part of the process to establish peace and trust and achieve regional stabilization pursuant to the Dayton accord annex, a delegation of the Bosnia-Herzegovina Army General Staff and the General Staff of the Croatian Defense Council [HVO] met with Ambassador (Istvan Djarmati), personal representative of the chairman of the Organization for European Security and Cooperation [OSCE], in Sarajevo today. The meeting was attended by Army General Rasim Delic, Brigadier General Muslimovic, Brigadier Lucic, and Mirza Hajric, minister-adviser in the Foreign Affairs Ministry.

During the meeting, they examined the modalities of the OSCE's work with the representatives of the Bosnia-Herzegovina Army and the HVO, as well as the preparations for realizing the Dayton accord annex linked to the restoration of peace and trust on the ground. (Djarmati) proposed the forms of activities in the exchange of data, whereby a verification agency as

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well as the instructors for the work on the field will be appointed. This important task is expected to be completed by 26 January 1996. Apart from the data exchanges, the expert teams will also have to carry out considerable tasks on the field.

Commander of the General Staff Rasim Delic particularly insisted on coordination between IFOR [Implementation Force], OSCE, and other international institutions in implementing the Dayton Accord.

Army Refutes Archbishop's War Crimes Allegations

AU2812213995 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 28 Dec 95

[FBIS Translated Text] Bosnia-Herzegovina Television on 22 December broadcast a documentary produced by Bosnia-Herzegovina Television and entitled the Cardinal of Bosnia-Herzegovina, dedicated to the Bosnian archbishop, Cardinal Vinko Puljic. In connection with this, we received a statement by the Bosnia-Herzegovina Army press center:

In one section of the film Cardinal Puljic says the following: However, by the same token, Neretvica, Vares, Krizancevo Selo, Uzdol, Doljani, Dreznica, and Grabovica brought shame upon our brothers, the Muslims. The Bosnia-Herzegovina Army, which, in the clashes in central Bosnia at that time, actually acted as the Muslim Army, destroyed 30 percent of the arch bishopric.

He further says: I profoundly regret all the evils committed against the Muslim people, its believers, its sacred buildings, and its assets, either by the aggressor's Serbian soldiers or the extremists of the Croatian Defense Council [HVO]. However, this did not justify the soldiers of the Bosnia-Herzegovina Army to commit crimes. Unfortunately, their side also committed grave crimes, which, at one time, placed me in a very upsetting and unenviable position.

Bearing in mind the cardinal's reputation in our country and beyond, it is our duty to draw attention to the fact that the above statements are not rooted in an objective perception of the events. The assessment that the Bosnia-Herzegovina Army destroyed 30 percent of the arch bishopric simply does not correspond to the facts. Not on one acre of Bosnian soil did the Bosnia-Herzegovina Army fight with the intention of making the area ethnically pure. On the contrary, even during the fiercest clashes between the Bosnia-Herzegovina Army and the HVO forces, the units of the Bosnia-Herzegovina Army were ordered on several occasions to protect the civilian population in the areas where the fighting was taking place. They also received special orders to spare the sacral buildings, property, and priests, which the majority of the Bosnia-Herzegovina Army units obeyed scrupulously. On the basis of a special order, a media campaign was launched in June 1993 to prevent the civilian population, especially in central Bosnia, from leaving their homes as a form of concealed ethnic cleansing and discrimination.

The Bosnia-Herzegovina Army also cannot accept the logic of the artificial symmetry in the responsibility for the war crimes committed. We particularly cannot accept the cardinal treating the actions of individuals and groups within the Bosnia-Herzegovina Army that have to an extent already been sanctioned by our courts as the policy and the orientation of the entire Bosnia-Herzegovina Army, while the HVO procedures [words indistinct] scale, cruelty, and the consequences that they caused are being portrayed as a coincidental result of the activities by a group of extremists, thus, justifying the policy that stood behind all these massive and drastic violations of human rights and organized genocide and cultural genocide.

The painstaking citation of Dreznica and Vares contrasted with the nonmention of the Mostar helipad, Dretelj, or perhaps Mostar itself resembles the deeds for which the Bible says: Why beholdest thou the mote that is in thy brother's eye, but considerest not the beam that is in thine own eye?

Unfortunately, the truth is a lot more complex and painful, the statement of the Bosnia-Herzegovina Army press center emphasizes. Searching for it also means facing all those forces, also in the Croatian ethnic corpus and the official Croatian policy, that embraced the logic of national [word indistinct] as the sole manner of realization of their national rights, and the ethnic cleansing and rounding up of the expanded ethnic territory as the best tool of such a policy.

The Bosnia-Herzegovina Army naturally does not expect the illustrious cardinal to point to the political origins of the tragic clashes, which we consider to be a matter of the past from which we should learn the right lessons to prevent them from ever occurring again. However, we are justified in our expectations that a fair person should pinpoint the responsibility and should not ascribe to the army of this country what it has not done. The Bosnia-Herzegovina Army will strictly implement the platform of the state leadership and also the promise that any of its members who is found guilty of any actions during the war in a legal judicial procedure will face criminal responsibility.

Finally, we did not want to respond to the cardinal's words immediately, bearing in mind that the program was broadcast during the Christmas holidays, with the

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intention of not disrupting the holiday of love and peace with such issues. However, it is our duty to point out the truth, regardless of how bitter it may be.

Assembly To Discuss Government Composition

LD2812220795 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 28 Dec 95

[FBIS Translated Excerpt] Mariofil Ljubic, president of the constituent assembly of the Bosnia-Herzegovina Federation, told BH-PRESS that the assembly might discuss the proposal for the composition of the new Federation's government at its next session on 9 January. Ljubic stressed that the Federation's president and vice president are engaged in intensive activities and consultations with representatives of the parliamentary political parties on possible candidates for prime minister and members of a single government of the Federation. In line with the Federation's Constitution, the president and vice president must appoint a government, and the deputies will confirm its mandate at the assembly session. [passage omitted]

Ministers Protest Attacks on Journalists

LD2812221995 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 28 Dec 95

[FBIS Translated Text] Enes Karic and Ibrahim Koluder, the ministers in the government of the Republic and the Federation of Bosnia-Herzegovina, have protested against a recent assault on Senad Avdic, editor in chief of the SLOBODNA BOSNA newspaper. They strongly condemned this and similar attacks on journalists, which hamper the development of democratic relations in our state and damage its reputation in the international sphere.

Sarajevo Assembly Issues Request to IFOR

LD2812220195 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 28 Dec 95

[FBIS Translated Text] The assembly of the city of Sarajevo has issued a public statement today requesting that the Implementation Force [IFOR] adhere fully to the provisions of the [Dayton] peace agreement and to the precisely set deadlines. The city assembly stressed that no agreement can be reached with any side that is not authorized to do that but only with the legally elected and legitimate representatives of the authorities of the city of Sarajevo and the state of Bosnia-Herzegovina. All agreements reached without the consent of these bodies will be considered null and void.

The Sarajevo city assembly also demanded that the property in the temporary occupied areas should be protected, and that arson and looting of goods that are the property of the city and its citizens should be prevented.

Izetbegovic Upholds Demands of Sanzdak Muslims

AU2812202595 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 28 Dec 95

[FBIS Translated Text] President Izetbegovic today received a delegation of the Muslim National Council of Sanzdak, headed by the council's president Sulejman Ugljanin.

Expressing satisfaction with the cessation of war activities in Bosnia-Herzegovina after the signing of the Dayton accord, the delegation informed President Izetbegovic of the council's activities, especially those in the international sphere, aimed at reaching an all-encompassing solution for Sandzak and the Bosniak people of Sandzak. The Muslim National Council of Sandzak is determined to continue resolving its national question, parallel to the (?more lasting) international guarantees.

President Izetbegovic reiterated Bosnia-Herzegovina's support to all legitimate demands of the Muslim National Council of Sandzak and the protection of the Bosniak people of Sandzak, who are enduring major pressures by the regime of [words indistinct].

The talks were also attended by Edhem Bicakcic, vice president of the Party of Democratic Action and deputy in the Assembly of the Republic of Bosnia-Herzegovina, Director of SDA Central Timur Numic, and Avdo Campara, secretary of the Assembly of Republic of Bosnia-Herzegovina.

Bosniaks Reject Division of Mostar as 'Booty'

AU2812195895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 28 Dec 95

[FBIS Translated Text] The (?consultative) council, consisting of the representatives of the Bosniaks and the Croats, met with the Koschnick administration at the headquarters of the EU Administration of Mostar today to adopt the statute of Mostar. No agreement on the administrative borders within Mostar was reached at the meeting. Mirsad Behram has the details:

[Begin recording] A statement that we received in this respect from the presidency of the Mostar municipality states that the Croatian side insisted on the division of the town as if it were the war booty, therefore, along the lines of separation. The Croatian representatives, headed by Mijo Brajkovic, said they did not have the mandate to alter the borders reached in fighting, which was totally unacceptable for the Bosniak side.

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More than 20,000 Bosniaks of Mostar have been expelled from their homes, and the greatest portion of them now live in the third countries. The organization of the town along the lines of separation would be a message to the Mostar residents that they cannot return to their homes, which is one of the aims of the town's division. Such a position by the Croatian side, the statement by the presidency of Mostar municipality states further, means an interlude to the ethnic division within the federation of the Bosniaks and the Croats, which would also means undermining the Dayton accord on reanimation of the federation of the Bosniaks and the Croats.

The Bosniak side offered two solutions. According to the first one, the joint core of the town would be preserved with its multiethnic characteristics, while the second solution was based on the borders of the municipalities with the majority Bosniak population. Both proposals of the Bosniak side were based on the 1991 census; however, the Croatian side rejected them both. The offer of the Bosniak side equalized the demographic structure at the level of all municipalities, so that any resident regardless of his ethnicity would be guaranteed equality in any of the town's future six municipalities.

It is written at the end of the statement by the presidency of Mostar municipality that the Bosniak side will definitely not step down from the principle of justice and equality for all Mostar residents, regardless of their ethnicity, and will demand arbitration and inclusion of all relevant international institutions in this process. [end recording]

Croat Soldiers Killed in Mujahidin 'Revenge'

AU2812175595 Paris AFP in English 1717 GMT 28 Dec 95

[FBIS Transcribed Text] Sarajevo, Dec 28 (AFP)—Two Bosnian Croat soldiers (HVO) were killed and one was wounded when their vehicle was ambushed by soldiers of the mainly Moslem Bosnian army in central Bosnia, HVO police told AFP Thursday [28 December].

The soldiers were killed by automatic-weapon fire when their vehicle was ambushed by the Bosnian Army soldiers in the Zepce area early on Christmas Day while the HVO troops were returning from midnight mass, a Zepce-based HVO policeman who declined to give his name told AFP by telephone.

The NATO-led peace Implementation Force (IFOR) for Bosnia had no information on the incident.

The policeman could not say how many Bosnian soldiers had carried out the attack but he said it was "a revenge of the mujahidin," members of the "El-Mujahid" unit of the Zenica-based Bosnian Army 3d Corps. The unit is composed chiefly of volunteers from Islamic countries.

On December 14 a mujahidin vehicle ran through an HVO checkpoint near Zepce. In the subsequent firefight one HVO and five mujahidin were killed.

Although formally under the command of the Bosnian army, the unit is practically autonomous and a cause of embarrassment for the Bosnian authorities and of irritation for the local population.

The unit is headquartered in the central Bosnian town of Zenica but one part is deployed in the government-held Ozren area which neighbours the HVO-controlled Zepce.

Under the terms of the Dayton peace accord all foreign forces are to be withdrawn from Bosnia-Herzegovina and Bosnian President Alija Izetbegovic pledged to send the mujahidin fighters home.

US negotiators of the Dayton accord have insisted on the mujahidin's removal because of fears over the safety of U.S. troops deployed in the country as part of IFOR.

Croats: Muslims Violated Accord

LD2812202295 Mostar Croatian Radio Herzeg-Bosnia in Serbo-Croatian 1700 GMT 28 Dec 95

[FBIS Translated Text] In this connection, [the murder of two Bosnian Croat soldiers in Usora at Christmas], the political department of the Ministry of Defense of the Croat Republic of Herzeg-Bosnia has issued a special statement. The following is the text of the statement:

In the early morning of 25 December 1995, in the Croat village of Zabljak, in the municipality of Usora [northeastern Bosnia], at the junction of the minor and main roads running between Teslic and Doboj, two members of the 3d Motorized Brigade of the Usora HVO [Croatian Defense Council] were murdered, and one member of the same unit was wounded. They were all in an Audi car.

The murders and wounding were carried out by unidentified persons using automatic weapons at point-blank range. Officials of the Zepce military police immediately went to the scene of the incident and were subsequently joined by a patrol of the Tesanj Ministry of Internal Affairs [MUP].

MUP officials from Bosnia-Herzegovina and Tesanj, led by their own investigating judge—without waiting for the team of investigators from the Croat side—carried

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out their own investigation, after which they took—to the MUP police station in Tesanj—the car belonging to those killed, as well as all the evidence collected at the scene of the incident. The Zepce military police were not allowed to carry out their investigation on this occasion. They were mere observers.

In the early morning of 26 December 1995, a Croat team of investigators was sent out from Vitez and Zepce. After their investigation the team set off from Usora for Tesanj in two vans, with the intention of going on to Zepce and Vitez. They were stopped in Tesanj by members of the Bosnia-Herzegovina MUP, the Doboj security center, and the Tesanj public security service, and under threat of arms were forced to get out of their vehicles. A search was made of their vehicles and of all the Croat officials, and all personal weapons and forensic equipment was confiscated. On this occasion they also had all the documentation relating to the investigation and their own personal notes taken from them.

On the same day at 1530, members of the Tesanj MUP returned only ID cards to our officials, while they retained other items, most probably in order to use them to start criminal proceedings, and it was only after this that they [the Croats] were allowed to proceed to Zepce.

The Muslim side overstepped its authority regarding the carrying out of investigations in areas controlled by the Bosnia-Herzegovina Army. Such actions by the federal partner, following the signed Dayton agreement on the revitalization of the Federation, cannot be justified at all, especially as it is known that both the Croats and the Muslims are constituent peoples and that they should respect each other and act together to implement the provisions of the agreement.

The Muslim side has blatantly violated the obligations it now has, in the hope that the Croat side would respond in a similar way. This is unacceptable for us, and we are determined, after all this, to remain faithful to what has been agreed and signed, and resolve all disputes in a democratic way.

Zubak Regrets Soldiers' Deaths

LD2812190995 Mostar Croatian Radio Herzeg-Bosnia in Serbo-Croatian 1700 GMT 28 Dec 95

[FBIS Translated Text] In connection with the criminal murder of two members of the 3d Guard Brigade of the HVO [Croatian Defense Council], Joze Glavas and Silvije Herceg, in Usora [northeastern Bosnia] on Christmas, Kresimir Zubak, president of the Bosnia-Herzegovina Federation, has sent his sincerest condolences to members of the Jastreb units and the third company of this unit. His letter says:

It was with deep regret that I received the news of the tragic deaths of our soldiers Joze Glavas and Silvije Herceg, members of your celebrated units. It was all the more painful because the tragic deaths occurred after difficult years of war, big sacrifices, and great suffering by the Croat people of Usora, and as a result of a crime that took place on a night that heralds peace and good will for all people. In the hope and belief that the law will catch up with the criminals, and that these victims, too, will suffer in a dignified manner. I express my deepest condolences to the fellow soldiers and family members of those killed.

Croats Partly Blame Muslims for Mostar Flooding

LD2812192095 Mostar Croatian Radio Herzeg-Bosnia in Serbo-Croatian 1700 GMT 28 Dec 95

[FBIS Translated Text] Could the troubles with the river Neretva have been avoided? What are the main causes of the flood yesterday, which posed a serious threat to the population in the lower reaches of the river Neretva? Let us hear a commentary by our editor Milan Vega.

[Vega] According to experts' opinion, there are three main reasons why the river Neretva flooded yesterday and caused a serious threat to the population in its lower reaches. First of all, it was the copious rainfall and melting snow, which are out of the control of the human factor. The second reason is the opening of a closure on the Jablanica hydroelectric plant, which resulted in the flow of a huge amount of water and posed a serious threat to the Mostar hydroelectric plant. The third reason lies in the Mostar hydroelectric plant itself, which was damaged during the war, so consequently its closures are not functioning properly—one has been mined and the remaining two are broken, so regulation of the water level on the Neretva River could not have been controlled.

Again, according to experts' opinion, the fourth reason is the completely unreasonable refusal of an agreement offered by the European Union and Hans Koschnick [EU administrator of Mostar] to build and repair the damaged hydroelectric plants on the Neretva to the value of 12 million [German] marks. This offer was refused without consideration by the Bosniak-Muslim side.

The Bosniaks firmly believe that the Salakovac hydroelectric plant—which is on the current line of separation [between Croats and Muslims]—belongs to them, and they would like to divide the Mostar hydroelectric plant in half with the Croats.

What happened over the past few days is only part of the consequences of the refusal to accept this agreement.

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There is no doubt that there will be more serious consequences in supplying electricity to the people of Mostar and the Neretva River valley.

If we could not have done anything about the first cause, it is certain that the other two could have been influenced considerably. Why did the officials in the Jablanica hydroelectric plant fail to inform anyone at the electricity board of the Croat Republic of Herzeg-Bosnia about this danger when they opened the closures on the hydroelectric plant? There is no doubt that this is a serious error, as certain prevention measures could have been taken, not only on the Mostar hydroelectric plant—which has sustained huge damage—but also to reinforce houses, bridges, and other facilities. As it happened, there was a large-scale evacuation of people in the area between Buna to Capljina.

It is still not possible to speak about the full damage, which can be estimated only when the Neretva returns to its normal level. The danger is not yet over.

IFOR [Implementation Force], too, has suffered huge losses, and its base in Vrapcici has been completely devastated.

Also, a few words about the hydroelectric plants of Salakovac and Mostar. These two plants together generate an average of around 900 million kilowatt hours of electricity a year, but are currently not being used. They are of exceptional importance for the Croatian people, and official Croatian policy should take talks on these two plants much more seriously.

Mladic Message Hopes for 'Unified' Serb State

LD2812215695 Pale Srpska Televizija in Serbo-Croatian 1930 GMT 28 Dec 95

[FBIS Translated Text] Colonel General Ratko Mladic, commander of the Main HQ of the [Bosnian] Serb Republic Army, has sent greetings, on the occasion of the upcoming New Year and Christmas vacations, to members of the army, the inhabitants of the Serb Republic, and all friends in the world, in the hope that we are imbued with harmony, tolerance, love, wisdom and diligence, and so that the vacations are celebrated in family joy, happiness, and peace.

[Mladic's message read out over still of Mladic in army fatigues] We cordially wish a Happy New 1996 and Orthodox Christmas to all members of the army and citizens of the Serb Republic and the Federal Republic of Yugoslavia, all citizens of the Orthodox faith, and all friends throughout the world. We hope that 1996, after four difficult war years, is a peaceful year, and that conditions are created as soon as possible for the stable and prosperous development of the Serb Republic and its merging into [povezivanje u] a unified state of the Serb people in this area, and the peaceful and orderly life of its citizens and the successful development of our army in the new circumstances.

The signing of the peace agreement has created conditions for a halt to the suffering of war and destruction in this area and for the further struggle of the Serb people for their own sovereignty and statehood, and cultural, spiritual, and general development to be continued in the diplomatic, political, economic, and other fields of life in peacetime.

In the year ahead we will be faced with numerous, complex tasks, the most important of which is the reconstruction and development of our war-ravaged country, and the preservation of freedom and peace. The conditions for their realization will be particularly difficult. The conditions that have been imposed on us require more than ever before that the whole of the Serb people build a happier future, but also that a strong and invincible army should be the guarantor of their survival in this area.

We should never forget that the best sons of the Serb people have paid with their lives for our freedom. Their sacrifices are a constant reminder to us to preserve the freedom and peace of the Serb people and all citizens in the Serb Republic. May we be imbued with harmony, tolerance and love, wisdom and diligence and—for members of the army—courage, determination, and military skill.

Let us celebrate the New Year and Christmas vacations in keeping with Orthodox traditions and citizens' customs—with personal joy, family happiness and peace, the greeting's message from Colonel General Ratko Mladic says.

Krajisnik: Agreement Reached on Revision of Maps

AU2812162295 Belgrade DNEVNI TELEGRAF in Serbo-Croatian 28 Dec 95 p 1

[Unattributed report: "Revision of Dayton Maps Agreed"]

[FBIS Translated Text] Pale—We have reached an agreement with the Muslims regarding the revision of the Dayton maps, Momcilo Krajisnik, speaker of the Bosnian Serbs' Assembly, said last night, and added that the problem of the part of Sarajevo under Serb control remains a bone of contention in the implementation of the peace accord.

The agreement pertains to revisions of maps in the Serb municipalities of Zvornik and Kalesija and the Muslim municipality of Teocak, where, due to errors

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made during the drafting of the Dayton accord, Muslim villages remained on the Serb side and Serb villages remained on the Muslim side, Krajisnik said in a Pale Television special program. Talks on the revision of maps were held at the initiative of the Muslim side.

The Serbs will not leave Sarajevo, and no one has the right to expel them. "We expect NATO's answer regarding Serb Sarajevo between 15 and 30 January; if it is negative, we shall have enough time to relocate the people, property, and state companies," Krajisnik concluded.

Only Serb 'Government' Can Deal With IFOR

LD2812202595 Belgrade SRNA in Serbo-Croatian 1916 GMT 28 Dec 95

[FBIS Translated Text] Sarajevo, 28 Dec (SRNA)—At a session in Pale today the government of the Serb Republic charged relevant ministries with drawing up a plan of activities for the implementation of the Dayton agreement, and concluded that only the government can reach agreements with the Implementation Force [IFOR] on the use of property and the stationing of troops.

The prime minister has been authorized to appoint members of the commission for the implementation of the Dayton agreement, with the consent of relevant ministers, and the relevant ministries have been tasked with fulfilling their obligations stemming from the agreement, after which committees will draw up work programs and present them to the government.

The government established that, under the Dayton agreement, Serb Sarajevo cannot be taken out of the Croat-Muslim Federation, but that there is a possibility of obtaining a higher level of independence and extending the deadline for the handing over of the Serb parts of the city, which will be known by 20 January.

The government has promised to organize the resettlement and new accommodation for the residents of Serb Sarajevo who decide to leave the city.

The government also discussed the activities of the headquarters for the implementation of the peace agreement in Serb Sarajevo. It confirmed the list of the headquarters members and decided to appoint new people to the headquarters.

SRNA's reporter Mirjana Kusmuk said that the Ministry for Refugees and Displaced Persons had been charged with reexamining refugee accommodation and finding permanent solutions for them.

The government set up a committee, headed by Deputy Prime Minister Velibor Ostojic, charged with urgently drawing up a new social program. It accepted the monetary reconstruction program of the Federal Republic of Yugoslavia and the Serb Republic.

Having acknowledged that President of the Republic Radovan Karadzic annulled his order of 16 June, introducing the state of war—which, among other things, extended the working hours to 10 hours a day—the government decided to reduce the working hours to the normal 42 hours a week.

The Ministry of Health, Labor, and Social Welfare informed the organizations and citizens of the Serb Republic about state holidays in January 1996. They will be 6, 7, and 8 January for Christmas, 9 January for Republic Day, 14 and 15 January for New Year, 19 January for Epiphany, and 27 January for Saint Sava's Day.

State bodies, firms, institutions, and other bodies and organizations will not work on the days of state holidays, but if a holiday falls on a nonworking day, it will not be carried over to the next working day.

The government expressed its disapproval over the delay in the arrival of a tanker with fuel for the heating of hospitals in Banja Luka and Prijedor, and spoke against the blockade on the deliveries of humanitarian goods that are not subject to sanctions.

Serb Refugees From Sarajevo Appeal for Help

LD2812203195 Belgrade TANJUG in English 1909 GMT 28 Dec 95

[FBIS Transcribed Text] Bileca, Dec 28 (TANJUG)—Serbs who fled in the beginning of the war in Bosnia from Muslim and Croat held parts of Sarajevo to other towns in the south of Republika Srpska (R.S.—Bosnian Serb state) Thursday asked R.S. authorities and the international community to help them resolve their extremely difficult situation.

About 2,000 Serbs from Sarajevo sought shelter in Bileca, Trebinje, Gacko, Nevesinje and Ljubinja, southern R.S. Representatives of refugees from Sarajevo agreed at a meeting in Bileca to address to the R.S. government a request that the authorities provide to them equal care as to the 140,000 Serbs now living in Serb parts of Sarajevo.

'We were expelled from Sarajevo by Muslims, leaving everything we had owned for years. Now we are unemployed, own no property and are facing a humanitarian catastrophe', Jovan Uljarevic, president of the Sarajevo Serb refugees committee, formed today, said.

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Herzegovina Serbs Sentence 9 Arms Smugglers

LD2812135695 Belgrade TANJUG Domestic Service in Serbo-Croatian 1227 GMT 28 Dec 95

[FBIS Translated Text] Bileca, 28 Dec (TANJUG)—The criminal bench of the military court in Bileca has sentenced nine men from Trebinje to prison terms of betweem two and 15 months for the theft and sale of weapons.

This group was active on the Herzegovina battlefield in 1992 making seizures under the guise of "war booty" and then selling 13 automatic rifles and 10 hand grenades.

The weapons were smuggled over the border into Serbia and ended up in the hands of Albanian secessionists in Kosovo.

The ringleader, Petar Popovic (26), was sentenced to 15 months' imprisonment, and Zarko Mucibabic (28) and Zoran Popadic (30) to four months each.

Three-month sentences were handed down to Mirko Popovic (24), Vladimir Kurtovic (27), Milenko Vucurevic (21), Darko Jovanovic (24), and Zoran Vucurevic (23), while Ljubisa Mrkajic (40) received a two-month sentence.

LBO To Cooperate More With Other Parties

AU2812173595 Sarajevo Radio Bosnia Herzegovina Network in Serbo-Croatian 1400 GMT 28 Dec 95

[FBIS Translated Text] The Presidency of the Liberal Bosniak Organization [LBO] of Bosnia-Herzegovina held a session yesterday at which it concluded that, despite the Dayton accord being unjust for Bosnia-Herzegovina and its people, it represents the basis for a further struggle for a unified, democratic, and sovereign Bosnia-Herzegovina.

This struggle also involves an effective agreement of all parties, movements, and individuals who are striving for the reintegration of Bosnia-Herzegovina as a democratic, secular, and integral state. In light of this, the LBO Presidency decided to expand, intensify, and deepen the hitherto contacts aimed at the formation of such an alliance. They also decided that the party president, Muhamed Filipovic, should return in the shortest possible time and take over the party's management. The Presidency again voiced its full support and trust in the party president, Muhamed Filipovic.

Republican Party Proposes New Refugee Agency

AU2812175895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 28 Dec 95

[FBIS Translated Text] Stjepan Kljuic, president of the Republican Party, held a news conference today at which he and his aides Ana Jovanovic and Ahmet Isakovic spoke about the need for a successful realization of the forthcoming elections and reintegration of Bosnia-Herzegovina. The basic prerequisite for the successful realization of these two tasks is the return of all refugees and expelled persons to their homes on the territory of the federation and the Serb entity alike.

In the interest of the return of all refugees, the Republican Party proposes the formation of a state agency for the return of refugees and expelled persons, through which financial and material means for the normalization of lives would be secured.

Institute Details Data on Refugees in Europe

LD2812222195 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 28 Dec 95

[FBIS Translated Text] According to figures from the Health Institute of the Republic and Federation of Bosnia-Herzegovina, there are 1.24 million refugees and displaced persons from Bosnia-Herzegovina in European countries and elsewhere in the world. Most refugees are in Germany—345,000; Serbia and Montenegro—300,000; Austria—85,000; Croatia—75,000; Sweden—52,000; Slovenia—40,000; Switzerland—35,000; Italy—30,000; Turkey—25,000; the Benelux countries—25,000; Denmark—18,000; and Norway—18,000. There are 192,000 of our citizens in exile in non-European countries.

Reasons for Currency Devaluation Examined

AU2812171095 Sarajevo VECERNJE NOVINE in Serbo-Croatian 19 Dec 95 p 4

[Article by Mirsad Pehilj: "A Short-Winded Renaissance"]

[FBIS Translated Excerpt] If medical practice has confirmed that a third consecutive heart attack is fatal for many heart patients, this—as far as monetary "heart attacks" are concerned—cannot be confirmed for the dinar used in Bosnia-Herzegovina. This currency, which is used in the areas controlled by the Army of Bosnia-Herzegovina, has suffered many "heart attacks" during its existence, which seem to have made it more resistant. A month ago, for example, the Bosnian dinar experienced its full renaissance, as in all the free areas in which it circulated, it had the value of 100 dinars for 1 German mark. This is the exchange rate defined by the

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National Bank of the Republic of Bosnia-Herzegovina. The dinar still has the same value in Tuzla and in Zenica, but merchants tend to avoid it. The decrease in its value has become constant in Sarajevo—between 10 and 20 percent.

Destruction of the Currency

When will the Bosnian dinar become stable? Will it become stable at all? And who is it who stubbornly wants to destroy the domestic currency? These questions are more than justified, as according to the peace treaty, the Bosnian dinar should be used in this area parallel with the German mark until an adequate solution to the problem of the future currency and the central bank of the state of Bosnia-Herzegovina is found.

It is really difficult to give appropriate answers to the above questions now. The personnel of the National Bank of the Republic of Bosnia-Herzegovina also admit this by stating publicly that they really do not know what are the real reasons for the inflation of the Bosnian dinar relative to the German mark—as they do not want to say what a possible reason could be. It is a fact that neither the National Bank of Bosnia-Herzegovina nor the Institute for Payment Transactions have issued additional money during the last few months, and the state has not received any loans since June 1994. The basic generators of inflation are thus excluded, and the representatives of the World Bank and the International Monetary Fund have convinced themselves that this is true. They are surprised by what is going on with the Bosnian dinar.

There is one thing that the international monetary experts cannot understand and which we seem to consider quite normal—that speculations can very much contribute to inflation. One can hear stories such as that the domestic currency will be replaced by a new federal, that future issues will not be made by banks, or that the deposited money will—as can be heard from "well-informed sources"—be annulled, which means that only the cash that is in circulation will be saved.

Negative Effects

Although this is theoretically and practically impossible, all these and other insinuations have reached the citizens, businessmen, and even bank managers (who even informed themselves at the National Bank of Bosnia-Herzegovina about whether the exchange rate for the German mark would change). This, naturally, has negative effects. And they are first felt in the street, on the markets, in shops where you come across unofficial hard-currency dealers....

Vendors and street dealers, as if they have been given a sign, automatically adapt prices from dinars to German marks. Their explanation is simple and short: They allegedly want to get rid of superfluous dinars. If a dealer does not give this as his reason, he will skillfully tell you that the goods were bought with German marks, so he does not want to take Bosnian dinars for them. There are differences among Bosnian towns, however. Unlike Sarajevo, where the German mark is preferred to the devalued Bosnian dinar, in Zenica you can buy a wide variety of commodities (cigarettes, bread, alcoholic beverages...) for both currencies. The only condition is that a half the price is paid in German marks and the other in dinars. The situation in Tuzla and Mostar is completely different. There, the Bosnian dinar has the same position as the German mark, the exchange rate corresponds to that established by the National Bank of Bosnia-Herzegovina, regardless of what commodities you buy. [passage omitted]

[Box, p 4]

Payment in Different Currencies

The FDS Company, the Sarajevo Dairy, "Klas," and other Sarajevo companies sell their products only for German marks, and this—allegedly—is not known at the National Bank of Bosnia-Herzegovina. These examples show clearly that there is no adequate punishment policy, so that commodities and services are paid for in various currencies. It can hardly be expected that the Bosnian dinar can really become a currency equal to the German mark as long as the present situation remains.

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General Comments on Return of 'Occupied Areas'

LD2812234195 Zagreb Radio Croatia Network in Serbo-Croatian 2300 GMT 28 Dec 95

[FBIS Translated Text] Colonel General Djuro Decak, commander of the Osijek operational area, organized a special New Year reception for members of UNCRO [UN Confidence Restoration Operation], IFOR [Implementation Force], UN civilian police, international Committee of the Red Cross, and EU observer mission. Thanking the members of the international forces and institutions for everything they have done in restoring peace in the area, he reiterated that Croatia would try to return its remaining occupied areas by peaceful means. We hope that this process will proceed faster than envisaged by the peace agreement and without the use of force, Gen. Decak said. He stressed that if the UN Security Council resolution should fail to be implemented, our country would use all available means to establish its legal system in the currently occupied areas.

Prime Minister Vlatko Matesa Profiled

96BA0033A Zagreb HRVATSKI OBZOR in Serbo-Croatian 13 Nov 95 p 10

[Article by Milan Jelovac: "A Specialist in the World"]

[FBIS Translated Text] Although everything about the appointment of Vlatko Matesa, M.A., prime minister, was known a few days in advance, when news of the new prime minister designate was leaked from proverbially well-informed circles, it came as quite a surprise for many people. Quite understandably, because of the well-known names on the "short list" Matesa's was not very well known although he has spent almost two and a half years at the very top of the Croatian government's executive branch. Exactly who is Zlatko Matesa, the "man from the shadows," the "government's specialist for contacts with world economic institutions," as many have been calling him in recent days in portraits written for the occasion?

Scant biographical data reveal only the basics. Matesa is a year older than his predecessor. He was born 17 June 1949 in Zagreb. He graduatedfand received a master's degree from the Zagreb University School of Law, and he also did postgraduate work at Henley Management College in Great Britain.

He began his career in the judiciary but soon moved to INA [Croatian petroleum enterprise], where he had a brilliant career for 14 years.

Constant International Negotiations

In 1978 Matesa took a job as associate judge in an opcina court in Zagreb, but he soon changed his workplace and went over to the firm INA Trade. Until 1980, he was an associate on INA Trade's legal staff of INA Trade and later headed it for two years. His climb continued; from 1982 to 1985, Matesa was manager of the Legal and Personnel Department, and from 1985 to 1989 he was manager of Joint Ventures. He was a member of the Managing Board and its vice chairman from 1980 to 1990, and until 1992 he was assistant general manager of INA.

For a year and a half (1992 to 1993), Matesa was director of the Agency for Restructuring and Development of the Republic of Croatia. After that, he moved over to the government; from April 1993 to September 1995, he was a minister in the Government of the Republic of Croatia. He is a Croat by nationality, married, and the father of two children.

But what distinguishes Matesa from a hundred others of similar education and career?

Matesa altered certain established customs and set out in the opposite direction. He went from INA to the government, not in the opposite direction. And then he was the first man in Croatia to accept the demanding and frequently disputed privatization project. That is, the new Croatian prime minister, who is close to the technomanagerial current in the HDZ [Croatian Democratic Union] and is himself a successful manager, spent 14 months in the Restructuring Agency, a kind of nucleus of the future Privatization Fund. Under his leadership, the agency issued decisions on the transformation of 1,600 former socialized firms, and about 200,000 individuals signed contracts to buy shares at a discount. But the assessments of his efforts, primarily from opposition circles, were unfavorable, and in mid-March 1993 Matesa turned over the job to Ivan Penic.

Just when it was thought that Matesa's star had burned out, it flashed again. Less than 30 days later, Matesa accepted Valentic's invitation and became minister without portfolio responsible for contacts with international financial institutions. There have been hardly any negotiations with world economic institutions in which our present prime minister did not participate. He was national coordinator for the PHARE [Economic Reconstruction Aid for Poland and Hungary] program, coordinator for Croatia's entry into GATT and the World Trade Organization (WTO), and a member of the state delegation for negotiations on the inherited Croatian foreign debt. He met U.S. President Bill Clinton early this year at the Cleveland conference, where he organized the very successful Croatian representation.

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Without Fear of Denationalization

Matesa deserves most of the credit for the favorable outcome of the exhausting negotiations with the Paris Club, for rescheduling most of the Croatian debts inherited from the former state. He is a man with good connections in international financial circles, numerous journals have said, mentioning that this could be extremely important in the next phase of the stabilization program. After all, realization, implementation of the stabilization program which Valentic began is the new government's key task, but also a precondition for converting Croatia from a country at war to a prosperous country.

Matesa announced at the very outset that he was tackling the problem of denationalization, and a growth of production and restraint of inflation at a level of 3 percent will be priority tasks of the new prime minister. Matesa has the will, the knowledge, and the strength, and both his fellow indoor soccer players and old (new) members of the government say that he is in good shape.

The new prime minister with a pipe in his hand and his team knew one another quite well even when Valentic captained the ship. The storm has passed, the sea has become almost calm, Matesa and his government know where their course is set.

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Foreign Minister Views Achievements in 1995

AU2912125895 Skopje NOVA MAKEDONIJA in Macedonian 28 Dec 95 p 2

[Interview with Foreign Minister Stevo Crvenkovski by Nevenka Mitrevska; place and date not given: "Time for New Relations in the Balkans"]

[FBIS Translated Text] There is an opinion about Stevo Crvenkovski, the foreign minister of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], that he likes privacy, that he does not like journalists and publicity, and that in general he does not have a "shining star," as the people say. However, he has every reason to be satisfied in saying "good-bye" to 1995. Macedonia has become a member of all the important international organizations, above all in Europe. With the signing of the Interim Accord, it succeeded in starting the process for normalization of relations with neighborly Greece. The doors of the EU are wide open for starting negotiations on an agreement on cooperation as the first step toward association. In his interview for NOVA MAKEDONIJA, Minister Crvenkovski reviews the most important foreign political events for the Republic of Macedonia in the outgoing year, he occasionally speaks about himself as a participant in the enormous lasting effort that was involved for the accomplishment of everything that we have always aspired to on the international sphere, and he responds to questions on the situation in his ministry and the Macedonian diplomacy, predicting that the next year will be laborious in its routine work, although perhaps less attractive for journalists.

[Mitrevska] This year was very ample in the diplomatic sphere for the Republic of Macedonia. We became a full member of the Council of Europe, we joined the OSCE and the Partnership for Peace.... In September, we signed an accord on normalization of relations with Greece. Soon the EU and Macedonia will start negotiations on signing an agreement on cooperation. All this is a result of many years' engagement and of the overall policy that is conducted by the Republic of Macedonia, but also of your personal labor and skill. How do you feel after such an abundant diplomatic harvest?

[Crvenkovski] The events that happened in the last months of the year actually are a result of two to three years of work, particularly of the hard work in 1994, which was the calmest judging by the news, new events, and sensations, but it was the year in which the greatest part of the job that is evident now was accomplished. It is impossible to expect to be accepted in an organization the moment the conditions have been fulfilled with only a week's work before and a week's work after the admission. It needs preparation; all our friends in the world have to be informed and their active support provided, not only a positive "vote." Perhaps the best illustration of the speed with which all the work was carried out is the preparations for membership in the Partnership for Peace. We became a member of the Partnership for Peace Program; a week later our first two documents for the program were accepted, and we have started working on an individual program for the Republic of Macedonia. All this happened in a month or a month and a half, while this process has taken a year to a year and a half for others. Actually, it took the same length of time for us as well, but we had accomplished this work before the formal membership. We had a blockade there, but all the other members were willing to help us. We started the whole process a year and a half ago, as if we were a country member, so that the moment we became a formal member, we were ready to enter the process quickly. The same happened with the EU.

[Mitrevska] Mr. Crvenkovski, you are the minister of foreign affairs in a historic period for the Republic of Macedonia, when the foundations are being laid and when the international position of an independent Macedonian state is being strengthened. You are in the position of negotiating and signing agreements and documents that will define the long-range position and perspectives of the state. How do you cope with this part of the responsibility, are you afraid of revenge now, or of accusations in the future?

[Crvenkovski] There are always adversaries to any agreement. We can now see the reactions of all the cosigners of the Dayton agreement. We have seen Greece's previous and present reaction to the Interim Agreement. We can see the reactions of many other important agreements that have been signed in the world in the last two years. When agreements are made for overcoming difficult disputes, the long-range achievements for the state are the ones that count, and not the achievements for the one who is signing. People who decide to take big steps always run a risk, as was the case with the peacemakers in the world in the last years, starting from the assassination of Israeli Prime Minister Yitzaq Rabin and what happened to our president. There is the same risk with all those who start these big peace processes. It is important to achieve a long-lasting stable future for the state, regardless of the personal problems that can appear in a short period of time. So, when I addressed the Assembly before the signing of the Interim Accord with Greece, I warned the members of parliament, who also have a share in the responsibility, that courage is needed for taking big steps and striving for a better quality than what it may

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seem at first sight, to avoid war catastrophes that we could witness.

[Mitrevska] What is your assessment of the mandate for negotiations between the EU and the Republic of Macedonia?

[Crvenkovski] The agreement with the EU is a compilation of documents with which a number of issues in mutual relations will be regulated—political cooperation; commercial cooperation in some branches of specific importance that will be worked out in detailed annexes, as for instance the question of textile and exports of agricultural products, the traffic between Macedonia and the EU, cultural cooperation, education, science, and finally the so-called financial protocol that will define projects that will be financed by the EU or its institutions. Everything that we are achieving in this complex of agreements is actually what we have always asked for. Basically, it is very similar to the agreement between the EU and Slovenia, which [in our case] expanded on some points of particular importance for cooperation because of the particularities of our economy as well as the part dealing with political cooperation, which is of great significance, and in the case of Slovenia, it is the subject of a special declaration that is not included in the agreement. We consider this to be a great success, because we managed to incorporate it in the future agreement itself.

The so-called evolution clause that was a subject of discussion in our country, is related to the future steps of cooperation. The agreement opens doors for the second phase toward the EU, toward an agreement on association, and toward full membership in the future. The presence of the evolution clause in the agreement does not necessarily mean that these future steps will be accomplished. It only means that there is a willingness on the two sides to work on the next steps. Whether they will really be accomplished depends on numerous conditions, first of all on the internal adaptation of the Republic of Macedonia to the norms and standards of the EU, and on the economic development and economic stability in the country. The accomplishment of the next step will greatly depend on the internal political and economic issue of the Republic of Macedonia in the years to come. At this moment, it is important for us to leave this door opened. The wording in the mandate which says that the aspirations of the Republic of Macedonia for rapprochement with the EU will be fully respected opens all doors. All the rest will depend on us.

[Mitrevska] Any minister in your place would wish to inform the public of what you are doing and what you have accomplished. Contrary to this, you seem to be running away from the journalists instead of making points for what you have achieved, as if you were hiding something. Do you not think that the public is entitled to be informed daily of events?

[Crvenkovski] Our public has been constantly informed of our engagement. I speak a little and I want to speak less, and this is common practice in the world; it is not my intention [to speak] regarding the mechanisms and techniques that are leading to results. If you talk about a process too much, you can endanger the process itself. In the situation facing Macedonia, it was more important to achieve results than to improve the rating with the steps undertaken. The public impression of what was happening in the country for the first time, because the state did not have such previous experience, was based on the assumptions of how it should be done, and not on the knowledge of how these processes actually look in the world. Take the most recent example of Dayton negotiations and you will see that the communications with the public were very scarce and there was little information on this extremely important negotiating process that attracted so much attention the world over and that cannot be compared with any process in the Republic of Macedonia.

[Mitrevska] What was going on during your first three-week tour, that is at the OSCE meetings in Budapest, at the conference on the former Yugoslavia in London, at the Paris conference where the peace agreement for Bosnia was signed, and in Bonn at the conference on disarmament?

[Crvenkovski] Our public was informed of all this through our ministry, although not in detail. Our first goal in all these documents of the conferences was to achieve a separation of our position as a country that did not participate in the war and therefore cannot directly participate in the peace process, but has great interest in participating as a neighborly country. We succeeded in changing the terminology in the key documents of the conferences to clearly define our view. Where there were previous discussions about the former Yugoslavia, there are now discussions, depending on the context, either about Bosnia and Herzegovina and its direct neighbors, or about southeast Europe. We achieved this in all the documents: We succeeded in dissociating ourselves from the crisis, and we succeeded in indicating the future processes as a process for the entire southeast European region. It was important for gaining from the actions that we had begun before, as is the resolution on good-neighborly relations and cooperation in the Balkans, that we proposed and that has recently been adopted by the UN General Assembly. There was also the idea for starting a process of arms control in the Balkans, which we

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started this autumn in the UN General Assembly. These initiatives, coupled with the fact that the conditions have matured with all the others for the formulation of new Balkan policies and new approaches toward relations in the Balkans, were our main topics that we tried to impose in all these documents. After the post-Dayton process the number of Balkan countries that are accepting the ideas that Macedonia has been advocating in the last years is increasing. Another advantage that we tried to use in these conferences was the presence of many foreign ministers for organizing informal discussions and gaining additional support for the process of our coming closer to the European Union and for negotiations on the agreement. We have had talks with almost all ministers of the EU member states on this subject.

Another field in which we were engaged was bilateral questions. In Budapest, for instance, we exchanged notes with the Israeli foreign minister on the establishment of diplomatic relations between the two countries. In France, and this was very important, we signed documents on the continuity of agreements between France and the former Yugoslavia, as a result of which we achieved above all a sound legal foundation for a number of existing agreements with that country. Second, France practically recognized the political and legal continuity of the Republic of Macedonia. This is a success that the public has not taken due note of. We did the same with a number of other countries.

[Mitrevska] The recognition between Macedonia and Serbia, that is, the Serbian and Montenegrin Federation, after President Gligorov's visit to Belgrade on 2 October this year, seemed to be an accomplished fact. In a recent interview for DEUTSCHE WELLE (at least as transmitted here) you said that there are "no obstacles" in accomplishing mutual recognition. However, there do seem to be "obstacles" after all.

[Crvenkovski] Your saying "at least as transmitted here" was very clever of you. In the interview for Deutsche Welle, I said that there are no obstacles "on our side," but the agency skipped the first part of my answer and thus the answer took on another meaning. It is a fact that there have never been any obstacles on our side for the normalization of relations. I do not see why there would be because the Republic of Macedonia has achieved its independence by peaceful means and without any incidents. The Army withdrew from Macedonia by agreement. The previous continuity of the Republic of Macedonia to ASNOM [Antifascist Council of National Liberation of Macedonia] has never been objected to, and there are no disputes in Macedonian-Serbian relations. So, for our part we are always ready to regularize the relations, and I hope that the other side will also show willingness soon.

[Mitrevska] Ambassador Ivan Tosevski recently held talks in New York—under the mediation of Vance—with the Greek United Nations representative Khristos Zaharakis. Upon his return, Ambassador Tosevski did not find it necessary to say anything in public. Instead, it was the Greek ambassadors' words that were transmitted in which he said that Macedonia has allegedly shown a more moderate view, that is greater willingness to make concessions related to the name. Unofficially, we hear that the Greeks had proposed that scientists should decide about the existence and authenticity of the Macedonian nation. Is there any truth in this?

[Crvenkovski] Nothing of all this is true. The meeting of Ambassador Tosevski in New York is a continuation of the whole process of normalization of relations between the two countries and a continuation of what was agreed in the Accord on normalization of relations and of what has been noted down in the Security Council resolutions. We are deeply interested in the development of relations between the two countries and every channel of dialogue can have a positive effect, particularly with the mediation of Cyrus Vance, which was very productive. These meetings, like other meetings on other levels on many questions, will continue. Our views are very well known, and I do not see any reason whatever why we should reiterate them. We believe that an open dialogue can contribute to further construction of confidence between the two countries, for the creation of a positive climate for cooperation, for the creation of a healthy foundation for bilateral relations, and for the whole region.

[Mitrevska] Since the signing of the Interim Accord on normalization of relations with Greece, the Macedonian side has officially repeated that relations are being developed. However, the news from the common border indicates the opposite: The Greek side is deliberately impeding transportation, Macedonian goods in transit in Thessaloniki are charged extra (instead of transit fees, they are charged with import duties), and citizens are turned back at the border, particularly those who come from the Aegean part of Macedonia.

[Crvenkovski] The situation on the border is not exactly that. The numbers speak of something else. In the first two weeks alone since the implementation of the Accord with Greece, 7,200 citizens entered Greece, while 190 were turned back, 100 of which because of the problem with the Green Card, which has been solved in the meantime, 50 because they did not have any money to show, and 49 because they originated from that part. We do not know exactly how many of those who crossed the

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border were born there, but we know that the number was large. There were some incidents with some custom officers and clerks in relation to the signs and their demand to remove the sign for Macedonia. We reported all these incidents to the other side and they reacted. The number of incidents is decreasing day by day. This gives us grounds for believing that the problem is lack of coordination on different levels, because the basic relationship in the majority of cases was positive and remains positive.

[Mitrevska] During the visit of your Albanian counterpart Alfred Serreqi to the Republic of Macedonia this summer, it was agreed that four of the 25 bilateral agreements that were prepared by us would be signed. Why has the signing been postponed, considering the relations between the two countries, which are considered good?

[Crvenkovski] The expert groups of the two countries are working on a list of agreements, we are preparing new ones as well, and I believe that the other side is doing the same. I believe that a number of agreements in which we have agreed will soon be signed on an appropriate official occasion.

[Mitrevska] During the jubilee session of the UN General Assembly in New York, the heads of the delegations of Macedonia, Albania, Bulgaria, and Turkey signed a declaration on speeding up the completion of the alternative east-west transport corridor. After the lifting of the sanctions against Serbia and the Greek blockade against Macedonia, it seems that the alternative corridor has lost its importance, and the activities seem to be at a stalemate.

[Crvenkovski] I would not say that there is a stalemate. Throughout this period, I have always insisted, in nearly all my addresses, that it is of vital importance for the Republic of Macedonia to develop and maintain both directions. Macedonia can extract the maximum profit from its geographical position only if it becomes the crossroads in the Balkans, which means if the east-west and the north-south corridor cross in the Republic of Macedonia. The north-south corridor cannot be used to the maximum by the Republic of Macedonia without the east-west, and the east-west corridor cannot be developed at the expense of the north-south. I also believe that is it very important for all of those engaged in the development of traffic directions in the Republic of Macedonia to bear this in mind and not to give in to political considerations. They must bear in mind Macedonia's real strategic interest, which is to maintain and develop both directions.

[Mitrevska] Until last year, your ministry was called "for relations abroad" and the change of name was associated with the essential internal reorganization. The name has been changed now, but the reorganization, at least looking from the outside, is not felt. How many employees do you have in the ministry, and what is your opinion of their number and professional equipment?

[Crvenkovski] The change in the name of the ministry was never associated with the reorganization. The change was necessary because the ministry had an unnatural name that could simply not be understood in the world, and the change was postponed because of, I would say, an unhappy circumstance: The names of the ministries are defined by the Law on Administrative Bodies, and under the Constitution, a two-thirds majority vote is needed to change it. Because of the relations in the previous parliament, this law could not be changed. When the appropriate conditions were provided, we carried out this change.

Regarding the reorganization in the ministry, I would not and I never do talk about reorganization, but of the formation of a new ministry. What used to be a ministry for relations abroad had a totally different function before the independence of the Republic of Macedonia. There cannot be any reorganization that can transform a ministry that has one function into a ministry with another function that is totally different. The Ministry of Foreign Affairs has been created practically from zero in the last few years, and not through reorganization of the former ministry, although it was formally the same ministry, in the same building, in a longer period, and with the same name.

At this time, the Ministry of Foreign Affairs has less than half the staff that would be necessary for a country with the size and international position of the Republic of Macedonia. In particular, we have a very small number of people in our representation offices abroad. The active diplomatic staff of the ministry at home and abroad is 150 people. What we inherited from Yugoslav diplomacy, that is, the number of people who responded to our invitation to return to Macedonia in the defined time period is 50. They are all included in the work of the ministry; a large number of them are working in our offices abroad. We have a number of people who have shown excellent results. However, we also have people who have problems understanding the changes. We have people who are accustomed to acquiring high positions because they have political support, although they are not active at all.

[Mitrevska] It is a public secret that in some key positions in the world, the Macedonian diplomatic offices are filled with inadequate employees. This is the case with the Macedonian mission in New York, with the embassy in Moscow, and in Rome, where no

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ambassador has been appointed yet although Italy ranks second among Macedonia's trading partners. Why is this so? Does Macedonia not have people, and how much are you as minister free to appoint new or recall unsuccessful diplomatic appointees? That is to say, to what extent does the bargaining between the coalition partners in the government affect the selection of ambassadors and diplomatic personnel in general?

[Crvenkovski] There is a clear difference in the procedure between the appointment of ambassadors and all other diplomatic personnel. All the others employed in the missions, except the ambassadors, are the direct responsibility of the minister of foreign affairs, which means that formally I have every liberty in appointing personnel apart from the ambassadors. However, this is only formally, because here we have the problem of financial resources and the question of logistics at the missions.

The procedure for the appointment and recall of ambassadors is regulated by the Constitution and is clearly defined: Upon the proposal of the government and by a decree of the President of the Republic of Macedonia. On the other hand, there have never been and there is no party pressure in appointing ambassadors. The situation is actually the opposite—the parties do not show any interest in proposing people as ambassadors!

[Mitrevska] What can the Republic of Macedonia expect in the diplomatic sphere in the coming year?

[Crvenkovski] The key question for next year is, first, to complete the agreements and sign the agreement with the European Union and to complete the negotiations and become a full member of the World Trade Organization. Next, to regulate the legal basis with a number of countries by means of bilateral agreements that we have not yet accomplished. And, what is most important, we have to promote economic ties and economic relations with the foreign investments here. We have to promote the protection of our citizens through the consular network, which is very small now and needs to be developed, which is a priority, as is the regulation of the visa and passport regime.

PDP Leader Says Party May Leave Coalition

AU2812195795 Skopje MIC in English 28 Dec 95

[FBIS Transcribed Text] President of the PDP (Party for Democratic Prosperity) Abdulrrahman Haliti stated in today's interview for NOVA MAKEDONIJA, in reference to this party's possible withdrawal from the government coalition, that "we still don't have an official stand on this. However, the predominant stand in the talks and assessments is that the party has no justification for continuing its cooperation with the executive power." Haliti explains that the government stand on high education in Albanian language can simply not be the expression of some kind of "good will" for resolving this problem. Therefore, the PDP's top man says "it is below human dignity to insist on cooperation, when the second side is not really ready for that."

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Army Paper Interviews Kwasniewski

WS2812143895 Warsaw POLSKA ZBROJNA in Polish 22-26 Dec 95 pp 1-2

[Interview with Polish President Aleksander Kwasniewski by Antoni Witkowski and Colonel Jerzy Markowski; place and date not given: "I Will Respect and Protect the Polish Armed Forces"]

[FBIS Translated Text] *On Saturday, 23 December 1995, a ceremony marking President Aleksander Kwasniewski's taking command of the Polish Armed Forces will take place in the 1st Fighter Aviation Regiment. In connection with this, the new supreme commander of the Polish Armed Forces has given a special interview to POLSKA ZBROJNA.*

[POLSKA ZBROJNA] Mr. President, on behalf of the POLSKA ZBROJNA editorial staff and readers, we would like to congratulate you on the entrustment to you, by the will of the voters, of the highest position in the state. Powers given to the Polish president make him the supreme commander of the Armed Forces. So, it is obvious that the views of the president on state security issues, which also include our Army, are particularly interesting to our readers. We would like to start our conversation with the fundamental issue: How does the president assess the security of our state?

[Kwasniewski] Thank you for your congratulations. I know that many voters in uniform, possibly most of them, gave me their support. I want to thank them for that. For my part, I will do my best to live up to their expectations.

The first question indeed has a fundamental nature because the answer will spell out everything we should do for our Army in the immediate future. The current arrangement of forces and international relations at the global and European levels allows us to state that Poland's security does not face direct threats in the foreseeable future. However, because there are too many dramas unfolding near our borders, we cannot handle this issue haphazardly. Conflicts in various regions of south and East Europe can indirectly threaten us. Although chances that those conflicts may grow into large-scale conflicts are slim, I believe that no threat should ever be played down. This is one of the main things hampering the process of further scaling down the armed forces and curtailing military forces in international relations.

Sustained security for Poland should be linked to our striving for full membership in NATO, which is currently the most powerful international organization, having its own efficient structures, a powerful base, and defense doctrines.

[POLSKA ZBROJNA] We were talking about external threats. Do you think our state security can be threatened from within?

[Kwasniewski] Indeed, we have been watching increased social strain in the past weeks. This is something that always accompanies elections to top positions in the state. By the way, this does not happen only in Poland, except that the atmosphere may be hotter in our country. Instead of the competition of programs and arguments, symbols, very frayed by now, and, very often, slander was used as a weapon. I think that emotions will gradually cool, while a tendency to cooperate in grappling with problems awaiting us in the immediate future will be gaining force. We are building democracy in Poland, which means that we are in for more bouts of elections—presidential, legislative, and local. Elections are not carried out in outer space, but thanks to decisions made by the majority of voters. Some Polish politicians forget about this fundamental principle. They refuse to accept their defeat, trying to take out their frustrations and emotion on various circles. They try to destabilize the state. This should be resolutely opposed. The guilt of the guilty should be established by bodies that are empowered to do this. Those in the minority certainly have the right to express their discontent or even resentment, but only if this does not violate the law. If someone wants to prove, no matter what, that democracy exists for him only if he wins, we should mount a decisive protection against this—protecting not the president, parliament, or the government, but democracy.

There is no threat to democracy coming from me personally. Poland with President Aleksander Kwasniewski can continue to proceed down the path of democracy and strengthening self-government, and it can seek a proper place in the world. Poland is largely inhabited by reasonable people. They want to live in a normal and predictable country that focuses on its real problems, not on pseudofacts and fishy stories with which some politicians would like to create a political atmosphere and instigate social unrest. This is why I trust that in the next several months and years Poland will move to become a really democratic and law-governed state, where there will be respect for all of its citizens, state institutions, and law. According to my observations, Polish society has matured in its perception of democracy, and it has moved closer to understanding its workings than a considerable part of the political elite.

Real threats to the domestic situation could only cause an economic collapse, growing unemployment, and growing poverty. Also dangerous may prove a quickly growing rate of social pathologies and economic crimes. I clearly stated in my election program that sustaining the pace of economic growth is our only chance, and

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the realistic one, too. The only all-out war that can be justified in Poland today is the fight to improve the material situation of society and to create prospects for the youth and decent conditions for people who are no longer professionally active. This includes ironing out the dangerous disproportions among the Polish regions. This is all about a more fair sharing of the costs connected with the transformation.

When you want to conduct reforms and want to do it in a responsible manner, you should not forget about the political base they need to have. This is not a scientific lab or, worse, playing with building blocks, or a redecoration of a house, where you can ask its inhabitants out for a while and then let them back in and say: You should now find a place for yourselves in this new reality. Reforms are being tested on real people and you have to know how they accept them, or we will continue to deal with a utopia that society will otherwise reject.

[POLSKA ZBROJNA] How do you define your role in handling the issues about which we have just talked?

[Kwasniewski] I begin my presidency—and I regret this fact—in an atmosphere of tension and emotions. Partially, through neglect and by mistake, I myself added to this atmosphere. I am mad at myself because of this. But this has happened. This is a good lesson for the future. I am fully aware of the immense responsibility I bear. As president, I will do my best to push forward the transformations that are now under way in Poland. I want to be—and I will do everything to make it happen—a president of balance, calming down disputes and seeking the best solutions that can be accepted by most of the population. I realize the degree of the complexity of processes that are now happening in Poland in all spheres of political, social, and economic life. And I also know that these processes will grow even more complex in the next several years. To successfully complete them in the interests of the entire country and its citizens, it will be necessary to look for compromises, to calm conflicts, and to create a climate of social peace. I worked and will continue to work to promote the creation of a law-governed state in Poland that will unshakably respect human rights and reduce to a minimum its interference in the personal freedoms of its citizens.

Poland does not yet have a full-fledged party system. Our political scene, especially in its right wing, continues to be splintered. I hope this will change because a well-governed country always benefits from a proper party arrangement, whereby the opposition not only mounts resistance, but also constructively cooperates in resolving basic problems. It is particularly obvious given the fact that tables can turn and that the opposition may have to form a government coalition.

[POLSKA ZBROJNA] Would you describe the president's role in the system of defense preparations in peacetime?

[Kwasniewski] According to the constitution, the Polish president safeguards the sovereignty and security of the state, as well as the inviolability and integrity of its territory. He also is Poland's highest representative in domestic and international relations. He is the supreme commander of the Polish Armed Forces. He has the right to come up with economic initiatives and the right to review legislation approved by parliament.

The head of state has powers to actively influence defense-related issues. At the proposal of the defense minister, he defines the principal directions of development for the Polish Armed Forces and their readiness to defend the state. He can influence key personnel decisions because, in agreement with the defense minister, he appoints and discharges the chief of the General Staff of the Polish Armed Forces. At the request of the minister, he appoints and discharges General Staff deputy chiefs, commanders of branches of the Armed Forces, and commanders of military districts. He also appoints officers at all levels and expresses his opinion on average wages of professional servicemen. [as published]

This is a short summary of the powers wielded by the Polish president. But, as you can see, his powers allow him to actively inspire and influence the entire system of defense preparations in peacetime. I will consistently take advantage of those powers to benefit the Polish state and Armed Forces.

[POLSKA ZBROJNA] You have surely developed your own opinion about the present condition of the state's defense preparations. You had to deal with them many times, if only as a legislative deputy.

[Kwasniewski] Yes, but I will have to expand this knowledge very much. In recent years, unfavorable events have occurred that very much affected our defense potential. This directly applies not only to the Armed Forces, but also to—let us conditionally define it as the nonmilitary system. The economic situation in the country and unsatisfied needs in many spheres resulted in trimmed defense budget spending. Therefore, we are now watching the Army's technical condition deteriorating and the defense preparations in the aforementioned nonmilitary system, including special reserves, civil defense, defensive training, and so on, being curtailed. The condition of the national arms industry, including its production capacity and the competitiveness of its products, is alarming.

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According to the current legal regulations, the National Defense Committee [KOK] is the body that organizes, oversees, and coordinates the process of defense preparations. However, most of the regulations constituting the foundation on which the defense preparations can be initiated and conducted were issued by KOK many years ago. This is why they do not reflect the present social and legal realities. This should be changed. And this is a task to be done specifically by the president. The political and strategic planning at the state level is crucially important for the entire process of defense preparations. I know that MON [Defense Ministry] has elaborated a concept of this planning based on which work is now being conducted on the "political and strategic plan for the defense of the Polish Republic." This is the first document of this kind of such significance that has been produced in Poland since World War II.

What I have just said means that there is not only an assessment of the present situation, with which I agree, but also a program of recovery actions. This is very important. For my part, I am going to actively participate in all of those actions.

[POLSKA ZBROJNA] Civilian control over the military has recently been a hot and very often controversial topic. What is the president's opinion on this matter?

[Kwasniewski] This topic is beyond discussion. Civilian control over the military is one of the fundamental elements of a democratic system. It is also—and no one should forget this—a precondition for our admission to NATO. Under the present legislation, some defense and security powers wielded by the president, the Council of Ministers, and the defense minister are duplicated. It will be a task for a new constitution to define more clearly the spheres of competence for the different power institutions. By the way, the Sejm has already made the first step in this direction by adopting a law on the defense minister. This law contains many specific and precise solutions regarding powers of and relations between the defense minister and the chief of the Polish Army General Staff. I anticipate that the Council of Ministers will soon issue a directive defining in detail the scope of activities conducted by the defense minister, as well as the Defense Ministry's statute. Next, it will be important that the minister devise MON's organizational statute.

Parliament's activities are another significant element of civilian control over the Armed Forces. The principal role here is played by the Senate and Sejm defense commissions. In cooperation with MON, they determine current and prospective defense policies, set the Defense Ministry budget, have access to all documents, and are even entitled to conduct investigations and come up with suggestions about personnel decisions.

Strong and efficient civilian control over the Army executed by the popularly elected power must not—and this is an obvious fact—be regarded as "meddling" in the command of regiments and brigades. The control we are talking about should be based on respect for the professionalism of the uniformed people. I will take into consideration their expertise in the process of making decisions on state security and defense. I will uphold the Army's political neutrality and that of the entire Armed Forces. They are the asset of the whole nation.

[POLSKA ZBROJNA] When you take over command of the Polish Armed Forces, Mr. President, are you going to exert influence on the lineup reshuffles in the civilian and military leadership?

[Kwasniewski] This requires a great amount of responsibility and consideration. We should on no account do something that would destabilize the Armed Forces. It seems, however, that personnel changes will be necessary. There were too many signs that officials playing a significant role in the Army were engaged in politics. The Polish Army leadership should realize that such behavior is inadmissible. Let me cite here what an unquestionable authority, Jozef Pilsudski, once said: "The soldier serves his government, the government established by the people.... Those who cannot fit in the limits of this perception of service can choose a freedom where they will not be restrained by their uniform." Hence, a simple conclusion: A civilian defense minister should get back full control of the ministry and the full leadership and command of the Armed Forces.

And that is about it on this issue.... However, this does not settle the problem. One should urgently finish all conceptual work on the reconstruction of the Defense Ministry and the Polish Armed Forces so that this reconstruction is completed by the end of 1997. We have to find solutions that would guarantee a rational provision of funds for MON. Comprehensive control of the NIK [Supreme Chamber of Control] will be very helpful—and I will press for this—for the MON and General Staff logistic support departments.

[POLSKA ZBROJNA] You have addressed financial issues. This is another "hot" topic concerning the Army. Mr. President, how do you assess prospects for increasing expenditures for the Armed Forces, which seems to be indispensable?

[Kwasniewski] One can already speak about this with a certain optimism. In 1996, the decline in the real expenditures for defense will be halted for the first time in 10 years. If the budget is confirmed in practice,

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the MON budget will increase by almost 6 percent in real terms. Although this will not noticeably improve the level of military equipment, supplies, or training standards, it will mark the beginning of a way out of the long impasse. I think that priority in expenditures should be given to the technical modernization of the Army and events connected with the implementation of the Partnership for Peace program.

As the Armed Forces supreme commander in chief, I will try to ensure for the Army long-term prospects for financing, particularly the financing of modernization programs. These programs also are important from the viewpoint of our domestic defense industry. In this regard, I count on good cooperation with the government, which, incidentally, has already announced that it will draft a relevant bill.

Since we are talking about finances, I am going to suggest solutions that will guarantee appropriate living standards for professional servicemen.

[POLSKA ZBROJNA] During the election campaign, you frequently supported the establishment of a National Security Council. Could you define its role and objectives?

[Kwasniewski] The constitution provides for the presence of this council. The outgoing president was repeatedly reminded about this. For some reason, which only he knows, he did not appoint this body, perhaps because he preferred personal, "hands-on" management of the Armed Forces to seeking advice from a broader body of people.

I am going to appoint the National Security Council as soon as possible; it will be an advisory body to the Polish president during his general leadership in the area of the internal and external security of the state. My closest associates are already precisely defining the council's tasks and organizational structure. We have envisioned a vast scope of powers for it. I would like it to comprise representatives of various political groupings, including the parliamentary and nonparliamentary opposition. The work is under way. Currently, I can only assure you that POLSKA ZBROJNA will receive all information about this as soon as possible.

[POLSKA ZBROJNA] In one of your press interviews, you pledged that the strategic goal of your presidency would be to incorporate Poland into the structures of united Europe, including NATO. Could you comment further on this issue?

[Kwasniewski] Indeed, our country's admission to the Western security structures should be a priority in Polish foreign policy. This issue has a broader context because it also concerns the process of connecting Poland tightly with organizations integrating our continent. Historically, Poland has always been connected with West Europe. The postwar weakening of these ties was caused by the world's political division into two antagonistic camps. Our country will return to its natural international environment by joining the Western structures. We also want to become an EU member to make it easier for us to go through the period of economic transformation and catch up with the world's leading countries. Poland's links to European institutions can and should support the democratic transitions taking place in our country.

I am aware that the interests of states from our region are and will remain different. We have to take this into account, as well as our partners must take into account Poland's interests. If we want to maintain the required stability in Europe and enhance the feeling of security among nations, we need a consensus that will take into account various viewpoints and interests.

The process of integrating Poland fully into the western part of our continent will be very difficult and complex. We must prepare well for this, and, first of all—I have not a slightest doubt about it—we must demonstrate our political stability, economic development, and attractiveness to the world. We also must have the best possible relations with our Western partners, at the same time taking care of good relations with our eastern neighbors—Russia, Ukraine, Belarus, and Lithuania. We Poles are rightfully expected to be a factor of European stability and not of tension. Nor can we ignore the fact that Russia holds an important place in the thinking of Western politicians. It comes as no surprise; after all, it is a nation of 150 million and has an enormous potential of raw materials and processing that will develop, and it also has the atomic bomb. Russia has neither right nor reason to oppose our membership in NATO. Polish intentions are not anti-Russian, and our participation in the structures of united Europe will not become a weapon against Russia.

The results of the recent elections have not at all changed our determination in actions aimed at NATO membership. All fears in this regard are groundless. Our strategy has reached a stage at which there can be no return from the path toward integration into NATO. Our activeness within the framework of the Partnership for Peace program, backed by binding statements about our readiness to participate in the peacekeeping operation in Bosnia-Herzegovina, confirm Poland's commitment to cooperation with the alliance.

It should be emphasized here that the current consensus among all Polish political forces is a particular and extremely important asset for the entire course of our

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activities aimed at our accession into NATO and the EU. Although there are understandable differences of opinion on and assessments of certain issues among political groupings, nobody questions this priority of our foreign policy.

The stance of our Western partners and the United States on this matter, which has so far been too declarative, must raise a certain anxiety, however. I realize that we are dealing here with a very difficult problem that has many implications, an issue that concerns not only Poland but also other Central European countries. It is not good, however, if the doors to Western structures, and not even those to the main hall, are opening too slowly for Poland. For my part, as the Polish president, I will insist on all possible occasions—and I will create such occasions myself—that the process of integrating our state with the West be more dynamic.

It also is Poland's goal to play a constructive role in the region by intensively developing bilateral relations with out neighbors. This should be conducted through partnerlike cooperation, accompanied by respecting the principle of inviolability of borders and the rights of ethnic minorities and by maintaining a defensive military potential. Bilateral and multilateral military cooperation with all of our neighbors, particularly the FRG and the Visegrad Group countries, is a significant factor of our international environment's stabilization. It prevents the Central European region from being possibly transformed into a gray area and contributes to its gradual involvement in broader integrating processes.

[POLSKA ZBROJNA] Mr. President, you are beginning a term of office that will end in the year 2000. So let us look into the future. How should the Polish Army look at the turn of the century.?

[Kwasniewski] Although this is an interesting and important question, it is very difficult to answer. The easiest thing to do would be to say that the Army should be adjusted to our needs, but I see that this answer does not satisfy you. I will thus try to somewhat expand it. First and foremost, the numerical strength of the Armed Forces must result from the state's operational-strategic needs and economic possibilities. We will substantially reorganize the Armed Forces at the operational and tactical levels. The previous structure of our troops was subordinated to the collective requirements of the Warsaw Pact, which envisioned their participation in a large-scale collective operation in the western theater of war. The current situation is radically different. We no longer need a large, clumsy operational grouping. We must have an army composed of smaller, though highly mobile, groups able to operate in different directions of threat. In ground troops, the system of corps at the operational level and the system of brigades and battalions at the tactical level should prove to be more appropriate for our conditions than the clumsy system of armies and divisions. While the transition to the system of corps may be carried out quite easily, changes at the tactical level must certainly last longer because they are connected to the need to change technical equipment.

It is envisioned to gradually achieve a more balanced deployment of troops on the territory of our country. This implies reinforcing the eastern military districts—Warsaw and Krakow. [as published]

The technical modernization of the Armed Forces will be an extremely difficult task during the next few years. I concur with experts in their assessments that the current technical condition of troops is far from satisfactory. Since we are talking about our Army in the year 2000, one of the strategic goals we want to achieve is to successively transform ground troops into an air-ground force. We are going to achieve this by introducing more of our domestic Sokol helicopters into the Armed Forces and setting up air-assault (air cavalry) and air-mechanized units. They should become the vanguard of the Polish Army, composing a mobile operational group fully manned, having the highest level of combat readiness and to a considerable degree professional (professional and contract service).

As for the future of our Armed Forces, I see a significant role in their functioning for POLSKA ZBROJNA staff as well.

[POLSKA ZBROJNA] Mr. President, thank you for the conversation.

[Kwasniewski] Let me use this opportunity to wish a Merry Christmas and a Happy New Year to all people in uniform and their families, as well as the employees of the Polish Armed Forces. Let the next year be as good as possible for all of us!

Appointment of Two Ministers Expected 29 Dec

LD2812212195 Warsaw PAP in Polish 2025 GMT 28 Dec 95

[FBIS Translated Excerpt] Warsaw, 28 Dec—Two out of the three heads of the Ministries of National Defense [MON], Internal Affairs [MSW], and Foreign Affairs [MSZ] will probably be appointed on 29 December, Jerzy Szmajdzinski, chairman of the Democratic Left Alliance [SLD] parliamentary floor group, told journalists after today's meeting of the SLD-PSL [Polish Peasant Party] coalition meeting.

Szmajdzinski would not give any names and did not reveal in which ministries the ministers had been

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appointed. "The president must not find out about the coalition's personnel agreements from the press," he said.

Senate Speaker Adam Struzik, in turn, told journalists that the coalition had authorized Jozef Oleksy to present to the president for consultation personnel proposals on the posts of ministers in MON, the MSW, and the MSZ. [passage omitted]

Today's coalition meeting lasted more than three hours. It was attended by, among others, Prime Minister Jozef Oleksy, Sejm and Senate Speakers Jozef Zych and Adam Struzik, Sejm Deputy Speaker Wlodzimierz Cimoszewicz, PSL Chairman Waldemar Pawlak, SDRP [Social Democracy of the Polish Republic] Chairman Jerzy Szmajdzinski, and Minister of Labor Leszek Miller.

Disagreement on MON Head

WS2912114695 Warsaw GAZETA WYBORCZA in Polish 29 Dec 95 p 1

[Report by "KRZEM, PW": "Coalition Argues Over Presidential Ministries; Who for MON, MSW, MSZ?"]

[FBIS Translated Text] The president will most probably sign the nominations of the new heads of the Ministry of Internal Affairs [MSW] and the Ministry of Foreign Affairs [MSZ]. According to unofficial sources, the Polish Peasant Party [PSL] and the Democratic Left Alliance [SLD] are still unable to reach an agreement on who is to head the Ministry of National Defense [MON].

After a four-hour-long meeting of the coalition held yesterday, the chairman of the SLD Parliamentary Club, Jerzy Szmajdzinski, said only that the prime minister had been authorized to present the candidacies of the three ministers to the president. He added that there were grounds to expect that the president might sign two nominations tomorrow.

Szmajdzinski refused to give any names. He did admit, however, that the three names mentioned by reporters—Dariusz Rosati (MSZ), Jerzy Konieczny (MSW), and Jerzy Milewski (MON)—were largely accurate. "Well, only one change was made," he added mysteriously.

As we unofficially learned, the PSL has reservations about the candidacy of Jerzy Milewski. Everything seems to indicate this is the one nomination the president will not sign.

All three candidates have been preliminarily approved by the prime minister and the new president. Of the three, only Rosati is a "man of the left." He was a member of the Polish United Workers Party since 1966 until it dissolved, and he was the SLD candidate for deputy prime minister in Waldemar Pawlak's cabinet. Milewski and Konieczny were members of the Solidarity governments and both closely cooperated with Lech Walesa.

A decision was made yesterday that the MSW is to be supervised by Deputy Prime Minister Aleksander Luczak (PSL). This is the coalition's response to charges that Prime Minister Oleksy might have an influence on the investigation procedures instituted against him.

Oleksy on Spy Charges, Ministerial Appointments

WS2812154295 Warsaw GAZETA WYBORCZA in Polish 28 Dec 95 p 2

[Unattributed report: "Fragments of Jozef Oleksy's Interview for Polish Radio; The Oppressive Shadow of Dirty Linen"]

[FBIS Translated Text] *"The citizens need not worry about who I really am. All of this has to be explained. We cannot allow something fabricated by the secret services to be used as a political weapon ever again," the prime minister told "Signals of the Day" [on First Program of Polish Radio].*

(Adam Kalinski, Henryk Walczak) Were you able to have a peaceful Christmas after the serious charges that were brought against you last week?

[Oleksy] If you meet with such hostility and are dealt such a hard blow in public and so unjustly, Christmas is not peaceful.

[Question] What will happen now that Christmas is over? Will further dismissals follow?

[Question] I do not foresee any further dismissals. The vacant offices will rather be filled. I want to get that done with today or tomorrow. The coalition still has to be consulted because I want everything done calmly and properly.

[Question] Do you not consider the opposition's appeal that you suspend your activities until everything is clarified reasonable?

[Oleksy] The clarification process has already been launched by the Sejm commission. It will continue as the prosecutor takes up investigative procedures. Not so long ago equally serious charges were made against the former president, the Sejm speaker, and several other public figures. Did that mean that they had to suspend their activities immediately until the clarification process was concluded? The tasks and responsibilities of the government are very serious, and there is no room for such gestures. I do not rule out the possibility that such a solution might be called for at a certain phase, but not as a means of escaping and

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hiding—only if taking a short time away or even a rest is necessary.

[Question] When will we learn the names of the heads of the Ministry of Foreign Affairs, the Ministry of Internal Affairs [MSW], and the Ministry of National Defense?

[Oleksy] Tomorrow [28 December], I think, because it makes no sense to further stall for time. The acting heads of these ministries are working; therefore, everything is under control. It is now clear that the fact that I listened to the pleas of, among others, [former Interior] Minister Milczanowski to put off the dismissals was only used a month later to swiftly gather arguments, to hang out the dirty linen that is now casting its oppressive shadow over me.

[Question] Did any conflicts arise within the coalition in connection with the appointments to the three power ministries?

[Oleksy] That is only natural. There was no discussion earlier because I myself was in the search phase, and only in the final stage did I plan to have a coalition discussion. Certain differences of opinion have surfaced which will serve as a point of departure at the coalition session that is to be held tomorrow [28 December].

[Question] Will these ministries remain presidential, or will they be directly subjected to the head of the Council of Ministers?

[Oleksy] The notion of the presidential ministries was a very broad one and was defined in various ways. I know that President Kwasniewski will not tend to continue the ill practices of the past.

[Question] Let us return to the issue of the charges. The Military Prosecutor's Office has returned all of the documents to the MSW for completion. Who will complete these materials now that [Deputy Interior] Minister Jasik, who handled the case, is no longer there?

[Oleksy] I do not know who supervised the case at the MSW. Let us not put it that way. I do not know whether Minister Jasik was the man in charge there. There are institutions, the secret services, where the whole idea was hatched. They must supply an explanation. I know and trust that only a very small group of people were so zealously involved in the unfortunate affair. The rest will continue to serve the interests of the country. The explanation is not a problem. There is, after all, the Office of State Protection, which has the duty to present it. There are the heads of the ministry. We must not hold one person responsible because we might hurt that person.

[Question] Many claim that the espionage charges against you might be covered up. Will you try to clear yourself of these charges once and for all?

[Oleksy] I have already said I feel hurt by such words because they impose certain judgments on the listener or reader who does not understand much of what is going on. The charges are appalling, yet there is nothing I can do about it. I will demand an explanation of how materials I never knew about reached the press.

[Question] Could it be that this is a so-called controlled leak?

[Oleksy] If it is, it is a scandal. These are issues of the utmost importance, the most stinging charges, the most publicly spectacular and most harshly berated issues. It cannot be that whoever comes under the fiercest fire knows the least and everyone else describes all the minute details. This is inadmissible, but it is the fault of the previous interior minister, his ministry and the services that have these materials in their possession. The citizens need not worry about who I am, about what I really do. All of this has to be explained. We cannot ever again permit a situation in which material fabricated by the secret services is used as a political weapon to settle accounts and take revenge.

Anonymous Intelligence Officer on Oleksy Charges

WS2912113395 Warsaw TRYBUNA in Polish 23-26 Dec 95 p 2

[Report by "CEZ": "Polish Intelligence Officer on Minister Milczanowski's Revelations; If It Is True, Oleksy Will Have Been the Dumbest Agent of the Worst Intelligence Services"]

[FBIS Translated Text] *A retired colonel of the Polish intelligence service came to our editorial office. He had worked for 30 years in his profession, training operational agents, among other things. He shared his opinions on the material revealed by [Interior] Minister Milczanowski. We checked the credibility of our interlocutor. We will not reveal his identity.*

"If Prime Minister Oleksy really turns out to be a foreign agent, he would be the dumbest spy of the worst intelligence services," he said. "We all know, however, that he is a wise man and that the Soviet—currently Russian—intelligence services are among the best. I am saying this in full knowledge of what working for intelligence is about. The most dangerous part of it is intelligence contacts: personal (surveillance meetings) and nonpersonal (passing on material via secret hiding places). Meetings are organized only in extreme situations. The more valuable the agent, the stricter the security measures protecting his identity.

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"Each agent uses a two-way alarm system in case of danger. Upon receiving a warning signal, the agent suspends operations until further instructed. If a year and a half ago Minister Milczanowski informed Oleksy, the Sejm speaker at the time, that the person he was meeting with regularly was a KGB agent, the ABC of espionage says that all reports of later contacts between the prime minister and any other agent are shams.

"Milczanowski maintains that Oleksy was a KGB spy in the years 1982-83. Could it be that he is unaware the KGB did not need agents ranking as local secretaries of the voivodship committees? After all, there was ongoing, daily cooperation between the intelligence services of the Warsaw Pact states. Representatives of the particular intelligence divisions met annually to exchange military and political information, particularly on NATO countries. The same went for civilian intelligence. Very few people know that still under the Mazowiecki government a meeting of the heads of civilian intelligence services (security services) of the Warsaw Pact states was held. Representatives of other countries were surprised at the time that our services were not willing to share their interesting materials.

"One further comment. It is highly improbable that the most vital material proving Oleksy's alleged espionage activities was collected between October and December. That would suggest that over that period the prime minister did nothing but relay information to a foreign intelligence service. Foreign intelligence, however, has very strict rules: Communication, particularly personal, is rare so as to avoid discovery. There is also one very important detail: the pseudonym the prime minister was known under as a secret agent. The interior minister must have been a genius if he reached—as he himself put it—the 'original source,' the most closely guarded files in a foreign state. How can any foreign intelligence service reveal such information?

"I think that all of the above questions should be answered by the Sejm commission that is carrying out the investigation. I would not be surprised if it turned out that thoroughly incriminating material was fabricated. An explanation of how it was obtained would probably allow a forgery to be unmasked. I will not say that Prime Minister Oleksy is guilty because only a court can do that on the basis of the findings of the Sejm commission and the military prosecutor's office. Yet all of the aforesaid facts, the blunders, and the doubts the investigations in this case have raised indicate that we are hardly dealing with professionals. At least I can sleep soundly."

Sejm Sets Up Commission on Oleksy Case

WS2812154695 Warsaw GAZETA WYBORCZA in Polish 23-26 Dec 95 p 2

[Report by "WZ, DOM:" "Sejm Appoints Commission To Investigate Office of State Protection Operations; Speaker Zych Scolds"]

[FBIS Translated Text] *Yesterday the Sejm set up an extraordinary commission that is to see what the Internal Affairs Ministry [MSW], the prosecutor's office, and the prime minister will be doing while the espionage allegations that have been leveled at Prime Minister Oleksy are being clarified.*

Even though the Sejm deputies were almost unanimous when they made this decision, the fate of the commission was very uncertain. The Democratic Left Alliance [SLD] violated an earlier agreement regarding the composition of the commission. The opposition threatened to boycott the commission. In line with the decisions made by the Council of Elders on Thursday, the 12-person commission should have representatives of all of the clubs; in addition, the principle of parity should apply. On the following day, however, Deputy Kazimierz Pantak (once a member of the Union of Labor [UP], now an independent deputy) said unexpectedly that he was ready to become a member of the commission. Despite the protests of the opposition, he was backed by almost the entire SLD club as well as by half of the deputies of the Polish Peasant Party [PSL] who took part in the voting. The principle of parity that was agreed to earlier was violated. The atmosphere in the Sejm became tense. Even though Pantak is an independent deputy, during the presidential campaign he actively supported Aleksander Kwasniewski. The Freedom Union [UW], UP, and the Confederation for an Independent Poland [KPN] threatened that in such a situation they would not appoint representatives to the commission. "One cannot discuss anything with the SLD; one will hear lies anyway," Artur Smolko (UP) said off the record. Bronislaw Geremek [UW] accused SLD leaders Cimoszewicz and Borowski of violating agreements that were made in their presence. The Peasants were confused: "Some of our deputies backed Pantak by mistake. They should have been against him," PSL Club Spokesman Janusz Dobrosz explained to us after the voting. Sejm clubs and the Council of Elders convened extraordinary sessions. Pantak yielded to the pressure and backed out of the commission. The Sejm was finally able to set it up. Sejm Speaker Jozef Zych, who chaired the meeting, scolded the SLD anyway: "So far, decisions made by the Council of Elders have been binding; they have been treated as a moral commitment. Today this princi-

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ple has been violated by the SLD. I call upon all clubs not to repeat this."

Then, on behalf of the SLD, Mieczyslaw Czerniawski (member of the club's presidium) took the floor: "We accept these harsh words. Let me express regret that so many of my colleagues violated decisions made by the Council of Elders." The print-out of the voting on Pantak showed that he was one of the four SLD deputies who were against broadening the composition of the commission.

Zych announced that he would be attending sessions of the commission to see to it that it is impartial. Yesterday the commission had its first meeting. It decided to ask the prosecutor's office to clarify the reasons that the files used in the Oleksy case were not sent to the MSW. The deputies invited Jozef Oleksy to today's session. They will ask him, among other things, why he is speaking about an MSW provocation (and not a mistake).

The commission is to be chaired by Lucyna Pietrzyk (PSL); her deputy will be Bogdan Borusewicz (UW). The 12-person commission also consists of the following people: Ryszard Bugaj (UP), Jerzy Ciemniewski (UW), Andrzej Grzyb (PSL), Tadeusz Iwinski (SLD), Wlodzimierz Nieporet (SLD), Waldemar Pawlak (PSL), Zdzislaw Pisarek (Non-Party Bloc in Support of Reforms), Dariusz Wojcik (KPN), Janusz Ziemke (SLD), and Andrzej Zelazowski (SLD).

Intelligence Head on Oleksy Material Collection

WS2912114495 Warsaw RZECZPOSPOLITA in Polish 29 Dec 95 pp 1-2

[Report by A.M. and P.W.R.: "UOP Is Not Having Problems Supplying Additional Material in 'Oleksy Case'; Prime Minister Speaks About Leave Again"]

[FBIS Translated Excerpt] *Jozef Oleksy has let President Kwasniewski know that he is considering taking leave. Yesterday the prime minister put Deputy Prime Minister Aleksander Luczak in charge of the Internal Affairs Ministry [MSW]. We received an explanation from the Office of the Council of Ministers that the reason for the prime minister's decision is his desire to avoid suspicion of exerting influence on the MSW's work.*

The deputy chief of the Office of State Protection [UOP] stated after a meeting with the Sejm speaker that there are no difficulties in supplying additional material regarding the "Oleksy case." The Chief Military Prosecutor's Office is to receive it before the deadline that was set. [passage omitted]

"The Military Prosecutor's Office has asked that the documents be complemented in the scope specified by the regulations of the criminal procedure code, as part of the checking procedure," he added. Our information indicates that the prosecutor's office presented 12 questions; some of them were purely formal, such as the question concerning the translator or requesting the full name of the person who signed some document with his or her initials only. Other questions, however, are more important and are related to the source materials as well as to the broadening of information.

[UOP Deputy Chief] Jerzy Nozka told RZECZPOSPOLITA that UOP has nothing against sending the materials regarding the "Oleksy case" to the extraordinary Sejm commission; however, this will depend on the Chief Military Prosecutor's Office. "Our information indicates that the commission will receive them," says Colonel Nozka. However, he would not say anything about the contents of the "Oleksy case" files.

General Konstanty Malejczyk, head of the Military Information Services [WSI], admitted in an interview with RZECZPOSPOLITA that he had told Sejm Speaker Zych that the services subordinated to him would provide assistance if the highest state organs requested it.

Malejczyk confirmed the WSI's readiness to cooperate with the Sejm commission. He also stressed that the services subordinated to him have nothing to do with the "Oleksy case."

By the end of the year,. the WSI will present the Chief Military Prosecutor's Office with "information on activities of other countries' special services," Malejczyk said. It is worth recalling that the Chief Military Prosecutor's Office has requested information regarding the scope and methods of the activities of the special services of the former Soviet Union and Russia.

Oleksy: Spy Charges Aimed at Splitting Coalition

LD2812151095 Warsaw Polskie Radio First Program Network in Polish 1400 GMT 28 Dec 95

[FBIS Translated Text] According to Prime Minister Jozef Oleksy, the charges against him that he is an alleged spy are aimed at splitting the present coalition. The prime minister was the latest guest of President Aleksander Kwasniewski.

[Reporter Andrzej Kruszynski] The prime minister told journalists after the meeting that he informed the president about his intention to take a short leave, but this will happen after the first government session in January. The prime minister also presented to the president candidacies for the posts at the so-called presidential ministries [defense, foreign, and internal affairs]. They are to be discussed during a coalition meeting scheduled for later today.

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Daily Criticizes Oleksy for Not Suspending Duties

WS2812154395 Warsaw GAZETA WYBORCZA in Polish 28 Dec 95 p 1

[Untitled commentary by Ernest Skalski]

[FBIS Translated Text] The prime minister intends to continue making decisions on staffing in the institutions that are investigating his case. He is incessantly bringing forth charges against those institutions. Until a valid sentence is passed, no one can claim that Jozef Oleksy is guilty. This is how it will all end: Oleksy, albeit cleared of the charges, will remain under suspicion because at the time of the investigative procedures he remained the prime minister and the superior of those carrying out the investigations against him.

Solidarity May Discuss New Coalition

WS2912093695 Warsaw RZECZPOSPOLITA in Polish 27 Dec 95 p 2

[Article by Bernadeta Waszkielewicz: "Solidarity Trying To Form a New Coalition? Right of the UW and the PSL"]

[FBIS Translated Text] *The Independent Self-Governing Trade Union Solidarity wants to talk with all right-wing parties, from the Freedom Union [UW] and the Polish Peasant Party [PSL] to right-wing parties that are in the parliament and outside of it, about the idea of setting up a committee for the enfranchisement referendum. As we have found out unofficially, however, it would like to use this occasion to discuss the possibility of forming a new government coalition and possibly acting as mediator in the actual process of forming it. If such a meeting and talks are actually held, this will happen most probably today or on 28 December.*

Solidarity has appointed a team that will conduct these talks. It consists of National Commission [KK] Secretary Stanislaw Alot and four chairmen of the chief Solidarity regions: Gdansk Region Chairman Jacek Rybicki, Mazowsze Region head Maciej Jankowski, Silesia-Dabrowa Region head Marek Kempski, and Janusz Tomaszewski of Lodz (he has represented Solidarity in the past—in the talks on consolidation of the center-right wing). Of course, KK Chairman Marian Krzaklewski can maintain political contacts.

"We would like to set up a committee that would act in favor of the enfranchisement referendum; we would also like to talk about possible formation of a new governing coalition. Participating in our meeting would be parties from the UW to Jan Olszewski's Movement for the Reconstruction of Poland. A committee for the referendum has, for example, been set up in the Silesia-Dabrowa region," we learned unofficially from one of the unionists who was appointed to represent Solidarity in the political talks. Asked whether there would be room for the Union of Labor, he replied that in Silesia this party does not have its representatives on the committee. It is known that Marian Krzaklewski will not take part in the talks—for the time being, at least. Our information indicates that some of the activists are skeptical about the possibility of forming a new coalition and about the possibility of the union acting as a mediator. They believe that conducive to this was the political atmosphere surrounding Aleksander Kwasniewski's swearing-in ceremony, which means that there was a chance to begin talks on a new coalition on Friday or Saturday; according to them, now there is no such chance. Whether Solidarity, despite this, will bring this issue up at the meeting with the parties, as well as whether the meeting will be held and who will take part in it, will be known on 27 or 28 December.

Oleksy Reviews Government Achievements in 1995

LD2912123195 Warsaw PAP in Polish 1141 GMT 29 Dec 95

[FBIS Translated Text] Warsaw, 29 Dec—Maintaining economic growth at over 6.5 percent, export growth of 30 percent, a clear fall in inflation, an exceptionally large influx of foreign capital—$2.5 billion—a drop in unemployment, and stabilization of Poland's economic position in the world—these have been the government's achievements during its 10 months in office, said Prime Minister Jozef Oleksy at today's news conference.

Presenting the achievements took the prime minister and the deputy prime ministers about an hour. Oleksy stressed that, while preparing documents for the news conference, he himself "had not expected the government to have worked so hard."

The prime minister said that there are also many issues the government failed to finalize. Transformations in the power and oil industries, the restructuring of agriculture, and the launch of a new tier of self-government are to come into force next year.

When asked how much credit the government can claim for the achievements and how much credit should go to its predecessors, the prime minister replied that the government strove to consolidate positive trends in the economy and to render them permanent. He added that he never claimed that the credit for last year's achievements should go to his government alone. He also opposes "biased" views that the coalition only collected dividends on the achievements of the previous governments because it also had to bear the consequences of negative phenomena such as high

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public borrowing and the degradation of the public sector.

Gen Wilecki Prepared To Quit as GS Chief

LD2812215995 Warsaw Third Program Radio Network in Polish 2100 GMT 28 Dec 95

[FBIS Translated Text] General Tadeusz Wilecki, chief of the General Staff [GS], said after a meeting with President Aleksander Kwasniewski that the conversation concerned the state of the Armed Forces and also a change in the law on the general obligation to defend the state. According to the general, there was no discussion of personnel changes among the leading army cadres. Wilecki added that he was ready to resign as chief of the GS should such a need arise.

UOP Statement on Apolitical Activity

WS2912121495 Warsaw GAZETA WYBORCZA in Polish 28 Dec 95 p 4

[Unattributed report on statement issued by the UOP Press Department in Warsaw on 22 December: "Statement by the Office of State Protection; UOP Is Not Creating Politics"]

[FBIS Translated Text] The Office of State Protection [UOP] exercises only and exclusively its legal powers and does not take any illegal action, the UOP Press Department said on 22 December "in reference to the current speculation on the role of UOP in the state system."

The UOP Press Department adds:

"In line with the Law on UOP of 6 April 1990, UOP is an institution that was established and authorized to collect, store, and analyze information, especially information concerning state security. Entitled to receive and use information obtained by UOP are the constitutional organs of the state authorities and administration.

"On the basis of the materials obtained, UOP does not create politics, does not and must not have any influence on it, and does not assume any responsibility for political decisions made on the basis of those materials.

"According to the law on UOP quoted above, the UOP head, who 'is responsible for protecting the security of the state,' is subordinated to the minister of internal affairs, who makes his decisions independently."

UOP Press Department

Warsaw, 22 December 1995

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Melescanu Writes to Kovacs About Talks on Treaty

AU2812155495 Bucharest Radio Romania Network in Romanian 1400 GMT 28 Dec 95

[FBIS Translated Text] Mr. Marcel Dinu, secretary of state at the Ministry of Foreign Affairs, invited Mr. Ferenc Szocs, ambassador of the Hungarian Republic to Bucharest, to the ministry headquarters in Bucharest today. On this occasion, he handed to the ambassador a letter addressed by Mr. Teodor Melescanu, minister of state and minister of foreign affairs, to the Hungarian minister of foreign affairs, Mr. Laszlo Kovacs. The letter contains the considerations of the Romanian side regarding the continuation of the negotiations on the bilateral treaty of understanding, cooperation, and good neighborliness and is also an answer to the latest proposals presented by the Hungarian side.

Also today, Romania's ambassador to Budapest, Mr. Ioan Donca, received from Mr. Janos Toth, undersecretary of state at the Hungarian Ministry of Foreign Affairs, the answer of the Hungarian side to the Romanian initiative of a historic Romanian-Hungarian reconciliation.

We remind you that the Romanian proposals were forwarded to the Hungarian side on 22 September 1995.

'Tension' Between Intelligence Services Reported

AU2812171895 Bucharest ADEVARUL in Romanian 21 Dec 95 p 10

[Article by Rodica Ciobanu: "The Senators From the Defense Committee Discovered How the SRI and the UM 0215 Are Treading on Each Other's Feet"]

[FBIS Translated Text] Three senators from the defense committee of that chamber—Costel Gheorghiu (PD) [Democratic Party], Ilie Platica Vidovici (PDSR) [Social Democracy Party of Romania], and Viorel Ilisiu (PUNR) [Romanian National Unity Party]—went on Wednesday [20 December] to the headquarters of UM [Military Unit] 0215, the intelligence protection unit of the Ministry of Interior. In an effort to find out whether Virgil Magureanu, the chief of the SRI [Romanian Intelligence Service], told the truth when he said that officers of the UM 0215 exceed their duty, thus endangering certain actions of the SRI, the senators held talks with General Dan Gheorghe, the commander of the unit, and with his deputies. The SRI director had referred especially to the Anda Terrace case [where two covert SRI employees were discovered by passers-by while in mission], where, in Magureanu's opinion, cadres of the Interior Ministry intelligence service were involved in a countersurveillance action against the SRI officers in the mission, thus ruining their cover, perhaps even deliberately. Magureanu hinted at the fact that the cadres who did the countersurveillance action used to be SRI officers, but they were fired, after which they found employment with the UM 0215. The senators, however, found that the number of the former SRI officers working here does not exceed 10-12, and they all came by transfer.

General Dan Gheorghe proved to the senators that none of his men was involved in that case and no cadre of the UM 0215 was present at the Anda Terrace. Nevertheless, it turned out that in many cases SRI and UM 0215 operations overlap in gathering information in the infraction field. In the opinion of PD Senator Costel Gheorghiu, this happens because the authority of the two services is not clearly defined, besides which the cooperation between them is not very good either.

The UM 0215 is a kind of a "police of the police," and, at the same time, it also gathers information about the criminals. The SRI, which is in the counterespionage business, often ventures into the territory of larger or smaller criminals, thus interfering with the activity of the UM 0215 cadres. Because of this, tension has been building between the two services. Many of the cases presented by Virgil Magureanu as solved by his institution were actually clarified, in a proportion of 70 to 80 percent, by General Dan Gheorghe's men. The PD senator reached the conclusion that the SRI is an oversized service, a kind of "an elephant out to hunt ants," and to justify its size the SRI involves itself in cases that do not belong among its duties. As was shown by the latest activity report presented by Virgil Magureanu, the Romanian secret service keeps track of the pig, chicken, and cattle stocks, calculates what percent of farmland has been plowed, and also deals with petty crime that has nothing to do with national security.

The senator members of the defense panel wish to eliminate the tension between the two intelligence services, which is embarrassing for both of them. The cooperation protocol that was elaborated in 1991 has not been signed so far either by Virgil Magureanu or General Dan Gheorghe. Senator Costel Gheorghiu believes that it is high time for the defense committee, together with the panel exerting control over the SRI, to arbitrate and achieve conciliation between the two institutions.

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Federal

Milosevic, NATO Commander Discuss Peace Accord

LD2812162095 Belgrade TANJUG Domestic Service in Serbo-Croatian 1522 GMT 28 Dec 95

[FBIS Translated Text] Belgrade, 28 Dec (TANJUG)—Serbian President Slobodan Milosevic has received General George Joulwan, commander in chief of NATO forces in Europe, who arrived in Belgrade with his aides this morning.

In lengthy talks held in a cordial atmosphere, satisfaction was expressed that the operation of implementing the peace agreement on Bosnia was proceeding successfully and therefore fulfilling the planned requirements for consolidating peace in the regions that have been in the grip of civil war and thence the stabilization of the global situation in the region.

Both sides expressed the belief that lasting peace will enable the citizens of both the [Bosnian] Serb Republic and the Muslim-Croat Federation to again enjoy a free and dignified life and to return to work and the normal conduct of their activities, building a more peaceful future.

It was stressed that confidence had been placed in the international forces in the expectation that they would have an evenhanded approach to all sides, without which the successful implementation of the agreement and realization of a stable peace could not be contemplated. To this end, it was most important, President Milosevic said, to achieve the essential demilitarization of all sides.

Also taking part in the talks were Foreign Minister Milan Milutinovic and General Momcilo Perisic, chief of General Staff of the Yugoslav Army, a statement from the office of President Milosevic says.

Joulwan Talks With Press

LD2812200595 Belgrade TANJUG in English 1953 GMT 28 Dec 95

[FBIS Transcribed Text] Belgrade, Dec 28 (TANJUG)—Commander of NATO forces in Europe General George Joulwan said Thursday that his first visit to the Federal Republic of Yugoslavia and his meeting with Serbian President Slobodan Milosevic were a great sign for the future.

After meeting Milosevic, Joulwan told the press that the transit of NATO troops through Yugoslavia was an important first step towards the success of the NATO-led peace mission in Bosnia.

Joulwan said they had a very productive meeting focusing on several issues, expressing gratitude to President Milosevic for allowing transit to IFOR [Implementation Force] though Serbia to Bosnia.

Joulwan was optimistic also regarding the future development of the mission.

An advance party of the 2nd Brigade of the 1st U.S. Armoured Division arrived Thursday in Belgrade, from where it will drive to Bosnia.

General Joulwan said he had discussed with President Milosevic the initial phase of implementing the peace plan and deploying IFOR, adding that after only one week, he thought that conditions for establishing peace were excellent.

IFOR was very well received by all sides in Bosnia so far, he said.

Joulwan said his talk with Milosevic also focused on Sarajevo, and said it was very good news that 20 important military positions on each side were opened for international control seven days after ifor took over from the U.N..

He expressed hope that the peacekeepers would be met with an equal cooperation in the future too, referring to the D Day plus 30—i.e. deadline for the voluntary pullout of military forces from separation zones.

Joulwan also told the press he had discussed with Serbian president the relations between Yugoslavia and NATO regarding cooperation in implementing the peace plan and the transit of NATO troops through Serbia on their way to Bosnia.

Clinton's Decision To Suspend Sanctions Viewed

LD2812233495 Belgrade TANJUG in English 2315 GMT 28 Dec 95

[Article by Borislav Lalic]

[FBIS Transcribed Text] New York, Dec. 28 (TANJUG)—U.S. President Bill Clinton has signed a decree under which the United States will suspend all sanctions against Yugoslavia as of Thursday.

Clinton informed Congress about the suspension and said that his administration had taken this step in keeping with the Nov. 22 U.N. Security resolution on suspending the sanctions against Yugoslavia.

The resolution was passed a day after the the Dayton peace agreement had been initialled.

Clinton said in the letter that the decree had already been delivered to the treasury and transport departments, instructing them to immediately suspend the sanctions, which the U.N. Security Council imposed on Yugoslavia in late May 1992.

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The decree should be followed by the restoration of economic, cultural, sports and other forms of cooperation between Yugoslavia and the United States.

Until the imposition of sanctions, the Yugoslav-U.S. commodity trade amounted to about one billion dollars a year.

The U.S. suspension of the sanctions is all the more important because the United States was one of the most consistent countries in their implementation.

This was obvious after the U.N. Security Council in October 1994 passed a resolution on a partial suspension of the sanctions in the field of traffic, culture and sports.

Unlike practically all European countries, the United States ignored the resolution so that civilian air traffic between the two countries was not restored and the Yugoslav soccer team was not allowed to play a friendly match in the United States.

Clinton's decree will not just put an end to a difficult period but would also discourage those who have believed that the economic isolation of Yugoslavia will never be broken.

It will also make it possible for an immediate beginning of talks about restoring passenger traffic of the Yugoslav airlines (JAT) to the United States.

Before the imposition of the sanctions on Yugoslavia, JAT flew to the United States every day and this line was very profitable.

Yugoslav companies' representative offices, which have been closed since 1992, will reopen.

Four Yugoslav merchant ships, which have been impounded in the ports of New York, Baltimore and New Orleans since the summer of 1992, will finally be able to leave.

Most of the blocked funds of Yugoslav companies and banks in the United States would be unfrozen.

Lilic Receives Army Chiefs, Praises Achievements

LD2812174195 Belgrade TANJUG Domestic Service in Serbo-Croatian 1352 GMT 28 Dec 95

[FBIS Translated Text] Belgrade, 28 Dec (TANJUG)—Zoran Lilic, president of the FRY and Supreme Council of Defense has received a Yugoslav Army delegation headed by Colonel General Momcilo Perisic, chief of the general staff of the Yugoslav Army, on the occasion of the New Year.

Also in the delegation were the deputy chief of general staff, assistant federal minister for defense with responsibility for military industry activities, the heads of sectors and independent departments of the Yugoslav Army General Staff, the head of the Yugoslav Army inspectorate, and head of the Yugoslav Army military schools center.

On behalf of the delegation and all members of the Yugoslav Army, Perisic conveyed New Year greetings to President Lilic and best wishes for success in carrying out affairs of state.

Addressing the high-ranking army leaders, President Lilic sent New Year greetings to all members of the Yugoslav Army on behalf of the Supreme Council of Defense and on his own behalf.

President Lilic commended the Yugoslav Army for the results achieved in training and strengthening the combat readiness of commands, units, and institutions in 1995, and for maintaining the unity of the Yugoslav Army.

President Lilic said he was particularly pleased that members of the Yugoslav Army had made a full contribution to ensuring that our citizens live in peace and to preserving the economic and social stability in the country.

President Lilic said he expected that next year the living and working conditions of all our citizens, including members of the Yugoslav Army, would be much better. This will make it possible, in more favorable circumstances, for the Yugoslav Army to carry out its tasks of preserving the sovereignty, territorial integrity, independence, and constitutional order of the FRY, the statement from the information service of the general secretariat of the FRY president says.

TANJUG Interviews Prime Minister Kontic

LD2812202495 Belgrade TANJUG Domestic Service in Serbo-Croatian 1409 GMT 28 Dec 95

[FBIS Translated Excerpt] Belgrade, 28 Dec (TANJUG)—Yugoslav Prime Minister Radoje Kontic said in an interview to TANJUG, the first one granted following the suspension of international sanctions against the Federal Republic of Yugoslavia, that the restoration of peace in former Yugoslavia was the most important event in 1995.

Asked about priority objectives of the federal government with regard to our neighbors and the world next year, Kontic stressed that "the most important political goal is the implementation of the Dayton and Paris peace agreement and the agreement on the Srem-Baranja region because—if the peace process fails to develop further—then unfortunately other goals will not be achieved either."

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"Parallel to this, I would like to highlight the final lifting of sanctions against Yugoslavia, which will make the best contribution to the peace process, and restoration of trust among foreign business partners who still hesitate to plunge into doing concrete business with us," Kontic added.

The prime minister mentioned the full Yugoslav reintegration in the international community as an objective of equal importance for the government.

"That means our return to the United Nations and its agencies, in the OSCE [Organization for Security and Cooperation in Europe], normalization of relations with the IMF, with the GATT, the World Trade Organization and, of course, with the European Union," Kontic said.

Kontic added that other very important tasks were the normalization of relations with the former Yugoslav republics, primarily in the economic sphere, reconstruction and economic revival of the country, and resolution of humanitarian problems facing refugees and displaced people.

"Events of decisive historical importance for the final denouement of the Yugoslav crisis took place in 1995 to our great pleasure—in a peaceful and political way," Kontic said.

"The peace agreement for Bosnia-Herzegovina was first initialled in Dayton and then signed in Paris; a peace agreement on the Srem-Baranja region was also concluded. These two documents finally defeated extremist and militant forces," he said.

"Peace and common sense have prevailed. Peace is the ultimate national and state interest of our country," Kontic said.

Stressing that the federal government, right from the beginning of its mandate, has been urging a peaceful political settlement of the Yugoslav crisis, Kontic said that "without a trace of modesty one should stress that the Federal Republic of Yugoslavia and our delegation made a crucial contribution to the peace process and the final denouement of the Yugoslav crisis."

Kontic recalled that sanctions against the Federal Republic of Yugoslavia were suspended in 1995, and that this represented the best contribution to the peace process, saying that their final lifting is expected in the first quarter of 1996.

"Yugoslavia's reintegration into the international community has already begun, whereby it is important to stress that the Federal Republic of Yugoslavia and its continuity have been recognized by an increasing number of countries," Kontic said, adding that our economy has begun making a comeback to the world market of goods and capital.

The federal prime minister also stressed that implementation of the peace agreement and the deployment of international forces in Bosnia-Herzegovina and the Srem-Baranja region began at the end of 1995, saying this was of extreme importance both for the Federal Republic of Yugoslavia and for peace and stability in the Balkans.

Peace Achieved—Important Tasks Ahead

"As far as this year's achievements in the economic sphere are concerned, the results achieved are those that were objectively possible in the given circumstances, that is in conditions of the UN Security Council's merciless sanctions," he said.

Kontic said that in spite of the sanctions that lasted until recently the recovery of the economy had continued during 1995, adding that, according to federal government estimates, the social product grew by 6 percent and industrial output by 4 percent, while agriculture grew by 3 percent. [passage omitted]

"It is true that we have had some disruption in economic trends, mainly in the sector of price and foreign exchange stability. At the same time, I would say that this was to be expected under sanction conditions, although an entirely different question is whether they had to be of such intensity," Kontic said. [passage omitted]

Answering a question on what kind of economic program the federal government is preparing for 1996, Kontic said that "suspension of sanctions opens very wide prospects for strengthening domestic economic activity and widening Yugoslav foreign trade." [passage omitted]

"The federal government's aim is for the thrust of the economy to be primarily based on export demand because it is our assessment that domestic demand in the existing conditions cannot generate the strengthening of economic activities.

"An integral part of the economic policy's new concept is liberalization of the system and the regime of economic relations with foreign countries, a sound monetary policy, that is the convertibility of the dinar, the policy of free prices and incomes, and also the free formation of active and passive interest rates."

He said that an "inseparable part of this economic policy is also very strict budget restrictions, that is a commitment to financing public expenditure exclusively from real sources," adding that all the elements mentioned make up the "core of the new program and the basis of the 1996 economic policy of the federal government."

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The federal prime minister said that the economic policy's basic aims in 1996 will be price and foreign exchange stability and stimulation of production and exports, with exports as the core of economic activity.

"There are also structural changes, the transformation of ownership and improvement in the standard of living and social protection of the population," Kontic added.

The application of the new economic program should generate, according to him, a growth of the social product of 12.5 percent, growth of the industrial output of 10.5 percent, of agricultural output of three percent, and exports of more than 50 percent.

"The 50 percent growth of exports is a precondition without which even such a modest growth of the social product next year cannot be achieved," Kontic said.

Giving his assessment of the effect of measures from Program 2 so far, Kontic said that positive changes were already evident—the strengthening of the solvency of banks, growth of foreign exchange reserves, stability of the dinar's official rate, and the recovery and intensification of production.

"Unfortunately, prices are still rising as a result of inflationary expectations and monopolistic behavior of some economic entities, although the majority of businessmen look upon the realization of Program 2 with optimism, which is especially encouraging," he said. [passage omitted]

Remarking that in the initial period after the lifting of sanctions one cannot expect from the outset a substantial inflow of foreign capital, Kontic said that it was essential to adopt measures to normalize relations with the IMF and the World Bank. "Only then can we count on free access to the world capital market," he said, stressing that the federal government is fully prepared to start talks on the normalization of relations with those financial institutions.

As far as regulating the status of the Federal Republic of Yugoslavia in the IMF is concerned, Kontic said that as far back as 14 December 1992, the headquarters of this fund in Washington laid down four precise conditions.

"We agreed to a division of financial assets and liabilities, whereby the Federal Republic of Yugoslavia secured the right to some 36.5 percent of invested funds of the former SFRY, and we also accept the obligation that before the normalization of relations, all outstanding claims are settled," said Kontic, adding that at issue is an unpaid debt of around $100 million.

The third condition for renewing cooperation with the IMF is the demand that the federal parliament or the government adopt a regulation stipulating that the Federal Republic of Yugoslavia continues to accept the clauses of the IMF Statute, Kontic said, adding that the "least favorable condition is the IMF position that only it has the right to assess whether the FRY can function as a full member on world financial markets."

"It is obvious that this is a political and not an economic approach," Kontic said.

"Parallel with normalizing relations with international financial institutions, we must work on normalizing relations with international trade organizations, primarily the World Trade Organization, because this will enable us to multilaterally [as received] apply the most privileged nation clause so that we do not have to negotiate the clause with every country individually," Kontic said, also stressing the importance of institutionalization of relations with the EU so that Yugoslavia can use the general scheme of preferentials.

"We should not underestimate the internal possibilities that we have at our disposal for securing additional financial resources," he said adding that in this respect he was counting primarily with selling off industrial stocks from the reserves, the sale of foreign exchange that banks and enterprises own and the growth of overall exports.

The prime minister said that financial resources in the country can also be secured on the basis of a greater inflow of bank orders and the transfer of pensions to Yugoslavia, by limiting money in circulation and developing the market of credit securities [razvijanje trzista kreditnih vredosnih papira].

"There will be no more primary emission, and I wish to tell everyone that we can no longer count on printing money no matter what the reason is. This is a condition for securing price and foreign exchange stability," Kontic said.

Commenting on numerous visits of foreign trade delegations, the federal prime minister said that interest of foreigners was exceeding expectations, and that the government was giving its full support to business arrangements with foreign partners.

"All questions of cooperation of our economy in conditions of transition are covered by legal solutions, adjusted to modern market concepts. Here I mean primarily laws on foreign exchange operations, on foreign trade business, on foreign investments, and others," Kontic said, adding that their clauses were currently in the process of being reexamined. "Although these laws were passed recently, we wish to create even more favorable conditions for attracting foreign capital," the federal prime minister said.

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Commenting on the high level of foreign trade liberalization, Kontic said that exports and imports were constantly and "on a daily basis" regulated to protect branches of the economy and merchandise of importance for the national economy, for the security of the country and for supplying the population, from unfair foreign competition, and possible dumping policies.

Replying to a question on the federal government's standpoint on the initiatives of individual domestic political forces to bring the Federal Republic of Yugoslavia into the Partnership for Peace program, Kontic observed that after the Warsaw Pact's disintegration he had expected "the disintegration of NATO to come about as well because, in practical terms, the reasons for its existence had ceased to exist."

"Instead, NATO has continued not only to exist but to extend its zone of influence and has set itself up as a regional and very important military power in Europe," he said.

"The Partnership for Peace project is not, in formal or legalistic terms, a conventional bilateral agreement or contract but an expression of readiness to cooperate with NATO forces in training, exercises, and modernization of weaponry and military hardware," the prime minister said, and added that it is only later that bilateral agreements will arise from these activities.

"However, it is quite certain that the Partnership for Peace is a firm military framework, although it has no institutional basis," Kontic observed.

He added that the FRY had not even been invited to join this project and recalled that "our country has never cooperated with military blocs."

"Our experiences with military blocs are not exactly positive, because there is always the danger that regional military blocs might go beyond the purpose for which they were formed and be used to realize political and other objectives," the federal prime minister said, and he said that this was precisely what happened recently when NATO had bombed Serb positions in Bosnia.

However, according to Kontic, NATO now has an exceptionally responsible obligation to preserve peace in Bosnia and implement the Dayton peace agreement.

"This is a serious task, and the FRY Government will monitor NATO actions in Bosnia-Herzegovina very carefully," Kontic said.

As regards cooperation between the federal government and the governments of the republics, the prime minister gave a positive assessment of this, although he stressed that this cooperation "is being realized in very complex circumstances," and he said he was thinking of "the practical situation in the carrying out of certain state functions."

"During the breakup of the former Yugoslavia, or rather the secession of the former Yugoslav republics, one or two federal functions were unable to be carried out at the federal level, and objectively, they had to be carried out by the republics," Kontic said, and he recalled that at that time Serbia and Montenegro took on many federal functions, passed laws, and set up their own administrative bodies.

He said the process of returning this authority to the FRY authorities was moving ahead rather slowly and that there had been a significant delay in adopting federal laws which, in keeping with the 1992 Constitution, were supposed to establish new relations in the federation.

"Over 50 draft federal laws in the field of the economic and political system await scrutiny by parliament," Kontic said. He noted that lawmaking in the federation was a slow business also because the Cabinet did not have a majority of deputies on its side in the Assembly.

"The federal government is in fact a minority government because the Socialist Party of Serbia and the Democratic Party of Socialists do not have a majority in the Citizens' Chamber, so always a compromise has to be sought with some opposition party, and this is sometimes not possible," he noted. [passage omitted]

Asked about possible shortcomings of legislation on regular federal elections, which are due to be held by the end of 1996, the prime minister said he believed that a new federal law on political parties will be passed before then.

"However, if this does not happen, there are absolutely no obstacles to holding regular parliamentary elections in line with the current regulations, and to hold them in a regular, legitimate, legal, and democratic fashion," Kontic said, and recalled that the deadline for bringing the law on federal elections in line with the FRY Constitution had been extended to the end of 1996.

"So, existing laws are valid until new ones are passed," he said.

As for the announced reshuffling of the federal government, the prime minister stressed that this only meant that the government will be adapting to new conditions.

"After sanctions have been lifted, we are communicating with the world incomparably more than before, and it has transpired that in these new conditions the government cannot carry out some of its duties as it has done so far," Kontic explained.

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"We have decided to relieve of their duties the three current deputy prime ministers and task them with coordination of some duties within the federal government," he specified.

Kontic explained that as part of the reshuffle the Ministry of Agriculture will be taken out of the federal Ministry for Economy and the Federal Secretariat for Legislature, the Federal Customs Administration, and perhaps some federal directorates will be taken out of the current ministries.

Speaking about TANJUG's work in 1995, Kontic stressed that the federal government was exceptionally pleased with the results achieved by the Yugoslav national agency in the past year.

"I have nothing but praise for TANJUG's stances on the events in the past period and for its reporting on events in Yugoslavia and the world, and I believe that it has displayed top levels of objectivity and professionalism," he said.

"I can congratulate you on that, and I hope you will remain equally good in the upcoming period," the prime minister said.

Addressing all FRY citizens through TANJUG, Kontic wished them a happy New Year and Christmas holidays on behalf of the federal government.

"It is for the first time in several years that we can celebrate these holidays in peace. We will face exceptional challenges and trials next year, but I am sure that this time again, as always before, we will manage to deal with them successfully. All we need to do is get down to work and strengthen trust, both between ourselves and with our neighbors. I have no doubt that if we do this results will not fail to materialize, and that they will bring us all a better life," Kontic said in his New Year interview to TANJUG.

Tajik Prime Minister Ends Visit

LD2812160495 Belgrade TANJUG in English 1446 GMT 28 Dec 95

[FBIS Transcribed Text] Belgrade, Dec. 28 (TANJUG)—Tajikistan's Prime Minister Jamshed Karimov, who had been on a two-day official visit to Yugoslavia, left Belgrade early on Thursday.

During his visit, Karimov met with Yugoslav President Zoran Lilic, Yugoslav Prime Minister Radoje Kontic, premier of the Yugoslav Republic of Montenegro Milo Djukanovic and Yugoslav businessmen.

A statement released by the Yugoslav Information Secretariat said that Karimov's visit was a turning point in further promotion of comprehensive relations between the two countries.

The visit has also encouraged Yugoslav and Tajik businessmen to step up cooperation in the electric power, textile, timber and wood and chemical industries as well as agriculture, metal-manufacturing and construction industries.

Kontic and Karimov signed on Wednesday an agreement on setting up a joint committee for economic, scientific and technical cooperation as well as an agreement on trade and economic cooperation.

Government Adopts Economic Plan for 1996

LD2812194795 Belgrade TANJUG in English 1914 GMT 28 Dec 95

[FBIS Transcribed Text] Belgrade, Dec. 28 (TANJUG)—The Yugoslav Government Thursday adopted an economic plan for 1996 and several other documents that have strategical importance for the country's economic and overall development.

The uppermost commitment is to maintain stable prices and foreign currency exchange rates by way of different measures, instruments and mechanisms based on market principles, the federal information secretariat said in a statement.

Stable prices and exchange rates will have positive influence on the process of stepping up overall economic activities, primarily export, the statement said.

The suspension of U.N. sanctions against Yugoslavia, the normalization of relations with international financial organizations, the strengthening of foreign cooperation and bilateral relations and the implementation of old and new foreign trade contracts will make a favorable ground for an increase in production and export, the statement said.

The main characteristics of the country's foreign trade policy in 1996 is further liberalization of export-import policy, in keeping with the standards determined by the world trade organization and with an adequate system of protecting domestic production, the statement said.

The program opens door to formation of free prices on the market and more competition with foreign firms.

The Yugoslav Government also adopted a foreign exchange policy and budget for 1996, and a platform for restoration and improvement of cooperation with the Europen Union, the statement said.

The government also appointed a committee for cooperation with the U.N. peacekeeping force and the international Implementation Force (IFOR) for Bosnia-

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Herzegovina and put Prime Minister Radoje Kontic at its helm.

Health Official Comments on Effects of Sanctions

LD2812232495 Belgrade TANJUG in English 2307 GMT 28 Dec 95

[FBIS Transcribed Text] Belgrade, Dec 28 (TANJUG)—A Yugoslav Health Institute official said on Thursday that the international sanctions against Yugoslavia had had disastrous effects on the people's health, which would be felt for years to come.

Yugoslav Health Protection Institute Director Todor Bakovic was speaking at a news conference in Belgrade.

The United Nations imposed comprehensive and mandatory sanctions on the Federal Republic of Yugoslavia (federation of Serbia and Montenegro) on May 30, 1992, for its alleged involvement in the Bosnian civil war, and suspended them on Nov. 22, 1995.

Bakovic said that in 1991, the year before the sanctions' imposition, the birth rate in Yugoslavia had stood at 14.6 per one thousand, and in 1994, it had dwindled to 12.8.

During the three and a half years of the sanctions, the number of infants born in Yugoslavia every year was 12,000 down on the year before, he added.

The death rate rose from 9.8 per one thousand in 1991 to 10.2 in 1993, and during the years under sanctions there were about 16,000 deaths more than the average number for the years before the sanctions, said Bakovic.

The population growth rate fell from 4.9 per one thousand in 1991 to 3 in 1994, he added.

The death rate among infants rose sharply from 20.9 per one thousand in 1991 to 23.3 in 1994, Bakovic said.

A shortage of medicaments, medical supplies, proper food and heating in 1994 resulted in 28 percent more deaths among hospital patients than in 1991, and in a rise of 57 percent in fatalities from infectious diseases, he added.

Bakovic said that the figures had been submitted to the U.N. Security Council, Geneva-based humanitarian organisations, diplomatic missions to Yugoslavia, media abroad and foreign delegations visiting Yugoslavia.

Large Numbers of Serbs Request Asylum in Denmark

BR2812150195 Copenhagen BERLINGSKE TIDENDE in Danish 24 Dec 95 p 2

[Article by Sten Jensen: "Serbs in Pursuit of Asylum"]

[FBIS Translated Excerpt] Serb refugees from the Krajina region in Croatia have applied in large numbers for asylum in Denmark.

Shortly before Christmas 11,625 people had requested asylum through the Danish Embassy in Belgrade said Minister Counselor Antje Jensen, the Danish charge d'affaires in Belgrade.

"After the Dayton peace agreement the number of applications has dropped significantly, but there are still people showing up at the embassy," she said.

The number corresponds to about half of the Bosnians who live in Denmark today. Here the refugee authorities are waiting for the United Nations to put forward an evaluation of the security situation for the Krajina Serbs. [passage omitted]

Serbia

NATO Force Compared to Past Invading Armies

AU2812201295 Belgrade BORBA in Serbo-Croatian 21 Dec 95 p 5

[Commentary by Stevan Zec: "NATO and 'Rooms To Let'"]

[FBIS Translated Text] Throughout history, whenever a new army came to the Balkans, it was preceded by horrible stories about its power, equipment, mighty weapons, and numerous soldiers; the number of enemy's soldiers was always considered so great that "if all of them turned to salt, it would be too much for us to season our meals." The armored troops of Friedrich Barbarossa were mute, or better to say, they were mute for us, because they did not speak our language, so since then, the Serbs have called Germans "Nemci" [the Serbian word for "mute" is "nem"]. Apart from the Germans, the Avars, the Turks, the Italians, the French, and the Russians also came. The Americans are coming for the first time.

Colonel Kafa [name as transliterated], who was the first one to confront the Austro-Hungarian troops with his units, let Governor Putnik know that he was impressed by the number of the enemy's troops, their weapons, their fitness, and their equipment, but that he was very surprised because all their soldiers were scared of a knife!? Before Adolf Hitler's mob of soldiers

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came, rumor had it that their soldiers and tanks were invincible. Not to mention the stories about the Red Army.

Now, we can read in our papers that the U.S. troops will fight in Bosnia with the miniature PS-486H [not further specified] built into their helmets and that they will able to see every living creature at a distance of 3 km at night and in fog, regardless of how dark it is or how many mountains there are around.

And the latest? The NATO army (like to our Yugoslav People's Army, which couldn't be surprised by anything except rain and Slovenian firemen) is slow in joining the "peace-war mission" because there is snow in Bosnia! REUTERS reported from Zupanja yesterday that 160 U.S. military "extraterrestrials" had arrived and that they were astonished because there was no room at the hotel and not enough chairs in the restaurant. Knowing the Bosnian population, we can expect that they will put "Rooms To Let" signs out for the tourists—otherwise, the angry U.S. Army will go home offended by the conditions for waging war in Bosnia.

Party Leaders Comment on Outlook for 1996

LD2812235395 Belgrade TANJUG in English 2342 GMT 28 Dec 95

[FBIS Transcribed Text] Belgrade, Dec. 28 (TANJUG)—Dusan Mihajlovic, president of the New Democracy Party, coalition partner of the ruling Socialist Party of Serbia, said on Thursday that 1996 should be a year of hope in which active work would be done on restoring and preserving peace.

Mihajlovic told a press conference in Belgrade that Serbia's future lay in forging close links with the world and that it had to stop having "doubts in itself, its people and its and others' success."

President of the non-parliamentary League of Communists-Movement for Yugoslavia Party Ratko Krsmanovic told another press conference on Thursday that the peace agreement, initialled in Dayton in November and signed in Paris in December, had made preconditions for a more peaceful development in 1996.

Krsmanovic said that the future lies in integration processes and that the restoration of peace ushered in a new era in the history of all south Slav peoples by making preconditions for reuniting people and families separated by force and for economic, cultural and other forms of cooperation.

Speaking about economic reforms, Krsmanovic described privatization as a revolution of smugglers and profiteers. He said that there was not a single good reason for its implementation and that uncertainty was the only certain thing about it.

Leader of the opposition Serbian Radical Party Vojislav Seselj said on Thursday that in 1996 conditions should be made for the democratization of relations, economic prosperity and social justice in Serbia.

Grenade Explosion in Belgrade Store Reported

AU2812165795 Belgrade BORBA in Serbo-Croatian 27 Dec 95 p 22

[Unattributed report: "Two Victims of Unknown Criminal"]

[FBIS Translated Text] A hand grenade went off in the "Srebrenica" shop of the Plitvice Joint Stock Company in 319, Bulevar Revolucije Street at about 0800 yesterday. The explosion killed the shop's supervisor, Vasilije Milosavljevic (56) of 9, Milana Blagojevica Street Belgrade, and shop assistant Verica Ristic (30) of 18, Cara Lazara Street, Krnjaca, the Belgrade Secretariat for Internal Affairs has announced.

According to the announcement, under to date unexplained circumstances, the hand grenade exploded in an improvised office of the supervisor.

An investigation is under way.

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